Tuesday April 8 1980

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Carter expels

all Iranian

The move followed Ayatollah

militants at the Embassy to the

President Carter took the

ruling Revolutionary Council.

with his top policy advisers, including Mr. Cyrus Vance, the

expulsion order won'd

diplomat sald

However, many managed to

stay in the country, some by

aeeking political asylum and others by going underground.

Mr. Carter had besitated in

taking this latest step out of

bope that President Bani-Sodr

and other relotive moderates in

the Iranian Government could

Secretary of State.

NEWS SUMMARY

BEARINGS

GENERAL

BUSINESS

the Government to be allowed to spend £150m above its £1.5bm

cash limits for the present financial year, mainly in the telecommunications field. Back

◆ WALL STREET was down

13.23 to 770.90 before the close.

• FINANCIAL TIMES monthly

survey of business opinion shows that confidence obout

prospects for industry and the

economy bas fallen to the lowest level since 1975-76.

says stockbrokers James Capel,

They forecast a rate of 18 per

the agreed limits of the Euro-

Belgian franc were the weakest

membera of the EMS, and there

was intervention by central banks to control the pressures caused by the strength of the dollar. The German Bundes-

continuing upward trend in New

ners in the system.

GRID

on the European Monetary System exchange rates. The upper grid, based on the weakest currency in the system, defines the cross-rates from which no

defines the cross-retes from which in-currency (except the lire) may move more than .2% per cent. The lowe chart gives sech currency's divergence from its "central late" against the European Currency Unit (ECU), itself

 NEW CAR SALES are expected to decline sharply

March were about 163,000, more than 12 per cent below

the 183,000 in the same month

• GOVERNMENT is likely to

impose staging arrangements

without union agreement for

181 per cent Civil Service pay

resisting fresh attempts by the

Depuartment of Health to nego-

tiate tougher curbs on cigarette

advertising. News analysis,

to publish a draft directive on

plans to make it compulsory for

nultinational companies in the

EEC to consult with workers

• FEDERAL HOME LOAN

Bank Board in the U.S. bas

taken emergency action to shore

and loan industry. Page 22

• TOBACCO companies

this year. Registrations

last year. Back Page

Page 6

Page 10 and Back

cent. Page 5

Oil leak PO bid closes to spend extra Thistle £150m field • POST OFFICE is pressing

One of Britain's most important North Sea oilfields, Thistle, was shut down yesterday after the discovery of an oil leak. The closure means the loss of 120,000 barrels a day—7 per cent of Britain's current production.

A small slick was spotted near the Thistle field, about, 130-miles north-east of the Shetland Islands, but this was quickly broken up by beavy seas. British National Oil Corporation, Thistie's operators, said last night that pollution was unlikely. "At no time was life in any danger," the state-owned corporation said.

Three-other important fields

Three-other important fields

Three other important fields Brent, Dunlin, and Cormorant, all operated by the Shell-Esso partnership — were also shur down as o safety precaution but were later back in production.

Guerrillas killed

Five Palestinian guerrillas who pean Monetary System. The seized children as bostages at a German currency and the seized children aa bostages at a kibbutz near the Lebanese border, were shot dead by Israeli troops. Two Israelis, one a child, were also killed. Page 2

Riders' boycott

British Equestrian Federation central banks sold dollars to will not send any three-day stem the U.S. currency's event, showiumping or dressage advonce, resulting from the teams to the Olympic Games in Moscow unless the Government York interest rates. With the changes its mind over calling a French franc at the top of the boycott in protest against Soviet EMS, the Bank of France gave activity in Afghanistan, Trevor assistance to its weakest part-Bailey, Page 13

Tight limits on public spending are to be relaxed to allow higher increases in pay for the armed forces. Back Page.

Forces pay

Gangs clash Hundreds of youths were arrested when gangs clashed at several seasida resorts, including Scarborough, Clacton, Southend and Brighton : Magistrates

imposed fines of up to £650. Chad truce

Fifth ceasefire between rival armies in Chad is due to take, effect today, but neither President Oueiddei por his opponeut, Defence Minister Habre. are confident that the truce will

Hostages freed

Three more bostages beld by Left-wing guerrillaa at the Dominican Republic Embassy in Bogota since February 27 have been freed. Eleven ambassadors and 14 others are still being held

Presidency crisis

Turkey is without a president for the first time in its 57-year republican history because political parties bave failed to agree on a successor to Fahri Koruturk, who ended his seven-

Welensky ill

Sir Roy Welensky, former Premier of the Federation ef Southern and Northern Rhodesia and Nyasaland, was admitted to bospital in Salisbury uffering from an undisclosed

mount

imouni

ion Trust

Trust

Briefly . . . At least 13 skiers, three of them Britons, died in Swiss • EUROPEAN COMMISSION is and Italian Alps over the weekend in avalanches and

Japanese Junior Minister Fumio and trade unions. Page 2 . . Kamiyama has resigned following a scandal over telecom-

munications monopoly. Hall sterm killed six people up the finances of the savings and flattened crops and mnd houses in West Bengal.

CONTENTS -

U.S. sanctions: The loop Management: BICC reviews holes in Carter's policy 14 its diversification 11 Hospitals: How to survive

Editorial comment: Italy's the ordeal15 Government; rail pay ... 14 Wines: A guide to everyday: drinking12

Business Opinion: FT Lombard: Sam Brittan on monthly survey 10 the high cost of Peter 12 Survey: Malaysia (inset). Walker

Euromerkets Financial Dis

UK News 4, Unit Trusts 2
Unit Trusts 2
Westler World Econ. Ind. .
World Trade ANNUAL STATEMENTS Deutsche Bank ... IOC Grpup Novo Industri A/S Scot. E. Inv. Tst. For latest Share Index 'phone 01-246 8026

CHIPPING IN DEBMI

EEC may place overall curb upon Japan TV sets

BY GUY DE JONQUIERES

Proposals to introduce formal EEC restrictions on all Japanese television exports to the Community, in place of the present patchwork of unilateral curbs imposed by most member-countries, are being considered by the European Commission.

supercede the voluntary import ceilings negotiated annually between UK manufacturers and Japanese television exporters, enjoys strong backing from Viscount Etieone Davignon, EEC

ndustry Commissioner. He believes that such an arrangement would provide European television manufacturers with a period in which to restructure and restore their competitiveness by guaranteeing that total imports from Japan would be stabilised at close to

recent levels. Community would promise Japan, as an incentive to agree to the acheme, that it would be limited in durationperhaps to five or seven years -after which all restrictions on Japanese television imports • GERMAN D-Mark required support against the French franc last week to keep it in would be removed. They might also be offered concessions on

other categories of EEC trade. The plan is understood to ba enthusiastically supported by Philips of the Netherlands, Europe's biggest television

The scheme, which would Brandt of France, which is being bilateral restraint orrange encouraged by the French Government to enlarge its EEC market share by an aggressive acquisition policy.

Both companies are particularly keen to consolidate their positions on the German television market. Germany is one of the few countries without any national curbs at present, and the EEC scheme would provide protection against Japanese export competition

Philips has a 25 per cent stake in Grundig, its largest outside customer for tubes and Germany's biggest television manufacturer.

Thomson controls Nordmende as well as the tube operations of the ailing AEG-Telefunken, and recently bid for SABA, another German manufocturer But the proposals face strong

protected from a wide range of manufacturer, and Thomson- Japanese exports by a series of for approval.

ments maintained with the approval of the Community. She is concerned that a system of EEC curbs might be less

Britain is also cool towards the plan. Industry fears that it would not provide adequate safeguards against an increase io television exports from Jopanese-owned plants elsewhere in Asla, and that Japanese sets might be tran-shipped to Britain via other Community countries.

Outlines of the plan have been discussed with Japanese Govern-ment officials, who have opparently expressed willingness to examine it further.

There is some uncertainty, bowever, over wbether the Commission can introduce the owned by Generol Telephene scheme on its own authority. Some of Viscount Dovignon's advisers believe that it can, but opposition from Italy. Her Governments opposed to it may domestic market is extensively insist that it be submitted to the EEC Council of Ministers

Seagram in move to sell \$2.3bn U.S. interests

BY IAN HARGREAVES IN NEW YORK

sidering sale of its extensive Seagram was actively bidding to Texas Pacific produces U.S. oil and gas lifterests for a extend its North American oil about 35,000 barrels of oil a figure in excess of \$2.3hm.

Seagram later confirmed re-

ceipt of the offer, but added that it was considering proposals from other oil companies, opening up the possibility of another major bidding war in the U.S. oil Although it is known pri-

marily as a producer of drinks, Seagram's energy interest contributed about 22 per cent of its \$278m operating income last year. sales were more than \$2.5bn. There was some confusion about Seagram's attitude toward a proposal which will

flood it with liquidity. Some oil industry executives suggested that Seagram had been actively seeking buyers for its energy property for

Edgar Bronfman, the company

Malt sales to Jopan cut, Back Page: News Analysis, Page 5

Sun's bid, in addition to the \$2.3bn, also offers \$400m for capital expenditure commit-

Seagram would be allowed to keep o 25 per cent so-called interest ' Texas Pacific's U.S. energy production facilities, and 49 per cent in its unexplored U.S. energy field acreage.

This retained share would be dependent on Texas Pocific meeting ao far undisclosed criteria on financial returns. The deal would almost Mexico.

SEAGRAM of Canada, the some time. Other analysts re- double Sun's 4m acres of world's largest distiller, is con- called that not long ago unexplored energy territory.

Signre in excess of \$2.3bn.

The Sun Company of Pennsylvania, tenth largest U.S. oil sand gas activities.

There is no way that it of natural gas, Proven U.S. sylvania, tenth largest U.S. oil Seagram coold sensibly employ reserves are 120m barrels of company, said yesterday that it \$2.3bn in the distilling industing and over 300bn cu. ft. of land offered \$2.3bn in cash and floating-rate notes for most of Seagram's Texas Pacific subsification is the Sun ot present produces fact that a third of Seagram's 167,000 barrels of oil a day in stock is owned directly or the U.S. Its offer remains men

stock is owned directly or the U.S. Its offer remains open indirectly by the family of Mr. until Friday.

Seagram has expressed interest recently in various diversifications and acquisitions. The largest of these was the recently completed takeover for \$37m of the George Sondeman sherry company.

The company bas looked at acquisitions in packaging and other consumer-reloted sectors. In addition to Texas Pocific, Seagram has much smaller oil and gas interests in Canada and Thailand.

The company's U.S. interests ceotre in the Wyoming Over-thrust belt, now the source of great excitement in the oil industry about possible new finds, and in the Gulf of

BP to purchase oil from BNOC

BY RAY DAFTER, ENERGY EDITOR

for o new supply of North Sea crude oil. It is understood that BP will buy about 200,000 controlled oil supplies, which barrels a day from the state could have been mode available corporation in a move that to EEC partners is about to be committed to BP. crude oil. It is understood that should ease its supply problems. The proposed deal is a aensi-tive issue within BP, the BNOC. tive issue within BP, the BNOC, much of the oil exported by and the Department of Energy. BP will be used in the group's it is thought that BP has affillates in Commoo Market and the Department of Energy. indicated that some of the extra countries—thus contributing to supplies may be exported to BP affiliates overseos. Because of plies the group's oil supply pattern, not all of the BNOC oil may generally known that we bave be needed in BP's UK refineries. been talking with BNOC for

BRITISH PETROLEUM is about for export at a time of un-to sign a contract with the certainty in the international oil The dea British National Oil Corporation market. Continental governments of

It is likely, bowever, that the Community's overall sup-

If this is so, there could be some time. As with all our some political criticism that supply deals, we cannot com-BNOC is making oil available ment while negotiations are in

The deal will bring to a bead market. Continental governments of negotiations. BP bas ments may be disappointed that been anxious to gain access to a large volume of UK state- more North Sea oil because of controlled oil supplies, which its loss of supplies from traditional sources in the Middle East and Africa.

Until 1978 BP was in the bappy position of having much more crude oil than it used in its own refineries. As a result, it was one of the biggest sellers of crude among the major oil companies. All that has changed; now BP's oil trading experts bave to buy spot market cargoes in order to satisfy the requirements of the group's refineries.

Sir David Steel, BP's chair-Continued on Back Page

Hardie's 'serious error' rebuked

BY MICHAEL LAFTERTY

former chairman of BOAC and senior partner in chartered accountants Dixon Wilson and Co., has been severely criticised by the professional standards committee of the English Insti-tute of Chartered Accountants.

The institute's investigation arose from strong criticisms of Sir Charles and his firm in a 1977 Department of Trade report on a number of companies with which Mr. Jobn Stonehouse, the former Labour Cabinet Minister, was involved. The institute said at the weekend that Sir Charles failed to show the qualities of sound judgment" to ba expected of

a partner in charge of an oudit.

He had made "a very serious

SIR CHARLES HARDIE, the an unqualified audit report on the partner taking over the the 1973 accounts of London Capital Group, previously known as British Bangladesh Trust.

Despite all this, the institute says that Sir Charles' failures did not amount to professional misconduct. The institute's statement says

Dixon Wilson failed in their duty as auditors by emitting to include particulars of loans made to officers of Loodon Capital Group in their audit report on the 1973 accounts.

The omission arose from a combination of three factors: • inadequate briefing of one partner by another on handing over responsibility for the error of judgment" in signing • failure of Sir Charles Hardie.

audit, to review the audit file; failure by Sir Charles to comprehend the substance of the advice proffered by his aclicitor on whether the loans were in the ordinary course of business.

The institute adds that tha Dixon Wilson audit team should have investigated the loans more vigorously.

Sir Charles Hardie was not available for comment yesterday. However, at the time of the publication of the Department of Trade report, Dixon Wilson said it was "outrageous that professional firms and others who are criticised have no opportunity to meet such criticisms until they have been published."

Italy to prepare fresh summit

By Reginald Dale,

***20p

BRITAIN will be looking for fresh movement in response to its demands for a substantial cut in its EEC budget con-tribution, now that the latest Italian Government crisis has been resolved.

Signor Francesco Cossiga, the Prime Minister, who announced his new Government on Friday, is now expected to turn his attention to preparing the delayed meeting of EEC beads of government, likely to be held towards the end of this month. The meeting, originally set for Brussels at the end of last month, was postponed by Signor Cossiga in his capacity as President of the European Council.

Signor Cossign said the Italian political crisis had not only left the country without a Government but had also prevented him from preparing for the meeting, which was due to concentrate en the British budget issue.

Compromise

Now that the Government crisis is over, UK officials bone that Signor Cossiga will move quickly to settle a new date for the meeting—widely thought to be April 27 and 28 in Luxembourg—and start studying his briefs on the

Signor Cossiga has been said to be planning a tonr of EEC capitals to explore the possibility of compromise. It is not yet clear, bowever whether be will visit all the capitals in person—he is now backed by a strong team on the European front which includes, as Foreign Minister, Signor Emillo Colombo, a former Prime Minister and President of the European Parliament, and a new Minister of Enropean Affairs,

Signor Vicenzo Scotti.

Many EEC diplomats be lieve the delay bas provided a useful breathing space in which serious attempts can be made to compromise, There were widespread fears of a serious confrontotion if the summit bad taken place

on time. Talks between Mrs. Mar. garet Thatcher, the Prima Minister, and Chancellor Helmnt Schwidt of West Germany ended on a reasonably optimistic note at the end of last month.

But France is still bolding all its negotiating cards close to its chest. Editorial comment, Page 14

diplomats PRESIDENT JIMMY CARTER Ayatollah Khomelni's decision decided yesterday to order all ended 10 days of high-level Iranian diplomats out of the negotiations and appeared to country in retaliation for a lack leave the United States little of progress on the hostage crisis, alternative to the imposition of according to Associated Press further economic and diplomatic quoting Administration officials, sanctions.

A mood of deep frustration Khomelni's resistance to and despair was palpable in the transferring control of the Administration yesterday. This Americans from the hands of reflects first the fact that all the overtures of recent weeks to forge a solution to the fivemonth-old impasse seem to bave decision at a morning meeting failed because of the inability of relative moderates, such as President Abol Hassan Bam-Sadr ANF Foreign Minister Sadeq Qotzbadeb, to move Ayatollah Whomeini and the bardline Islamic faction in the

delivered to the Iranian Embassy in Washington in mid-afternoon, but the official Revolutionary Council, not to mention the militant captors. Secondly, it is widely believed who confirmed the Presidential bere that nooe of the actions action said be was uncertain of the timing.

Most of Iran's diplomats in
the U.S. were ordered bome by open to the President will have much impact on Iranian opinion or moke possible the release of the hostages. Indeed, they may the State Department following the seizure of the Embassy by militants in November.

further undermine the position of President Bani-Sadr. U.S. trade with Iran bas virtually ceased. In February, the latest month for which statistics are available, the U.S. sold only \$4m worth of goods to Iran and imported \$37m, almost all of which was oil bought before Mr. Carter ordered oil imports from Iran to cease last November. Administration officials bad

arrange to bave the 50.
Americans put in their charge.
But the Ayatollah and the
militants blocked every attempt felt that the allies are now more likely to respond sympathetically than was the case a few months ago.
The Ayatollah's decision. along those lines. Military action by the President is clearly still ruled out. The President met with bis final, but President Bani-Sadr

announced in a statement from bis office in Tehran, seemed national security and diplomatic said the issue was going to be aides at the White House for discussed further in the Governtwo and a balf bours yesterday ment. A clergyman associated morning and was to continue the meetings in the afternoon. with the militant students also said it was now up to the Revo-Our Foreign Staff writes: lutionary Conneil.

Iran alerts army

BY SIMON HENDERSON IN TEHRAN AND IHSAN HIJAZI IN

liplomats from Baghdad as the Iranians. thousands of Iranlans were reported to bave been expelled from neighbouring Iraq.

Sabotage to oil and gas pipelines in Iran at the weekend, which cut the capacity of the Abadan refinery by 30 per cent, was also thought to be behind the deteriorating relations between Baghdad and Tehran. Previous raids have been Iragi-backed OIL guerrillas.

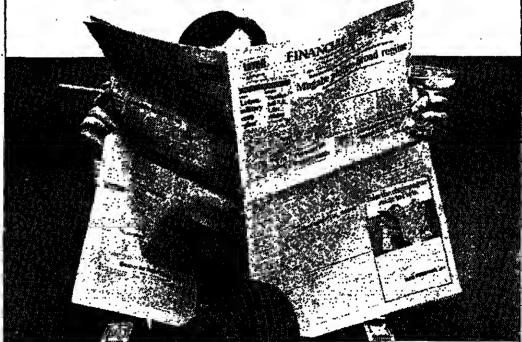
Iraq, angered by two bomb attacks in Bagbdad during the

IRAN YESTERDAY ordered its past week, which is blamed on Army on alert and recalled Iran, struck back by deporting

According to Iranian reports from the border, at least 6,000 Iranians arrived by truck convoys and thousands more were expected shortly.

The Iraqi Government of President Saddam Hussein bas consistently opposed the Iranian revolution and is known to feor that Iraqi Shi'ite Moslems, who make up balf of Iraq's population, would side with the Ayatollah Khomeini, a Shi'ite. Most of the rest of Iraq's Continued on Back Page

Take the champagne route to Paris



Air France 'Club' Class is the new, luxurious way of flying to Paris and back.

Big, roomy Airbuses, flying 7 times a day, give you all the style and service you expect of Air France.

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158 New Bond Street, London Wily OAY Tel: 01-499 9511 Manchester Tel: 061-436 3800.

IRAN'S ruling Revolutionary Council was expected to approve last night a budget for the coming year of 3.200bn rials about £15bn) a drop of about 10 per cent

on last year. President Abol Hossan Bani-Sadr said dependence on oil income had increased because industrial production nd tax income from it had fallen during the last year. We have not progressed in our struggle against foreign demination, wa have gene back," he said.

Oil revenue for the coming year was estimated by Mr. Ezzatollah Sahabi, head of the Plan and Budget Organisation, at 1,600bn rials (ahont £11bn). Given Iran'a regular price increases, such a figure would indicate nians to cut roduction further during the next year

Like last year's Budget. one-third is expected to be sei aside for development projects.

The Budget runs through the Iranian year which begins on March 21, Arrangements had already been made lo allow for payments for that part so far elapsed

"inder the Shah. Indget was about 25 per cent bleher, not allowing for inflation. Since the Revolution cuts have been mainly in defence and development.

Reuter adds from Tabran; Only 16 per cent of Iran's foreign trade is conducted in dollars, compared with 80 per cent before the revolution. according to President Bani-Sadr. "This Is a great victory for us and can be considered a great victory in our fight with the U.S.," the official Pars news agency quoted bim as saying.

1979 Annual Report:

Significant gains in oil and gas operations,

together with improved profitability in six

other operating divisions, resulted in a rec-

luted earnings per share increased 24 per-

cent, and capital expenditures for energy

projects alone topped \$1 billion, nearly

ecutive officer, reported net income was

\$571 million compared with \$452 million in

1978. Operating revenues were \$11.2 bil-

lion vs. \$8.8 billion. Earnings per share of

Operating income (pre-tax, pre-

was up 49 percent in 1979. Ketelsen said

this improvement reflects the high level of

investment the Company has made-ap-

proximately \$3 billion in the past five years

-to finance aggressive energy programs.

new records while at the same time the

company replaced 108 percent of current

production with new reserves. The Com-

pany's drilling success ratio-29 percent of wildcat wells and 85 percent of develop-

ment wells--remained among the indus-

and farm equipment, chemicals, agricul-

ture/land management, packaging, ship-

Continued increases in energy in-

vestments and earnings growth of at least

For a copy of Tenneco's 1979 Annual Report, write to

building, and life insurance divisions.

10 percent are anticipated for 1980.

Dept. FT-1 Tenneco Inc., Houston, TX 77001.

1979 gains in operating income were also reported by Tenneco's construction

try's best.

Production of oil and natural gas set

interest) from integrated oil operations

common stock, fully diluted, were \$5.16

twice the net income for the year.

Earnings were up 26 percent, fully di-

J. L. Ketelsen, chairman and chief ex-

ord performance by Tenneco in 1979.

Israeli commandos kill 5 guerrillas

FIVE PALESTINIAN guerril- ing the five guerrillas who had lastion, who had pledged, dur- salem and Washington that a las, and two Israelis, one of heen demanding the release of ing an Arah meeting in Tunis tripartite meeting could be held las, and two Israelis, one of them a baby, were killed yesterday during an attack on a 50 Palestinian prisoners. An Israeli civilian died when the guerrillas first seized the building, and the baby is believed to bave died in the later fighting. cibbutz near the border with

children and an adult.

befora," be said. Israeli aircraft

were later reported to have

drawn ground-fire as they flew

focus attention on radical Palestinian opposition to the

negotiations between Israel, Egypt and the U.S. over the

It may also be an embarrass-ment and a challenge to Mr.

Yassir Arafat, chairman of the Palestinian Liberation Organi-

BY DAVID LENNON IN CAIRO

last chance to break the deod-lock in the talks on Palestinian

aulonomy before the May 26

The Egyptian leader will hold

three meetings with President

Jimmy Carter In advance of

next week's meeting between the American President aod

Despite ten months of nego-

lations. Egypt and Israel bave

failed to narrow the gap in

Earnings up 26% to record \$571 million;

Prime Minister.

energy expenditures top \$1 billion.

Menahem Begin, the Israeli

tbeir concepts of Palestinian Finance Minister s autonomy for the occupied West newspaper interview.

PRESIDENT ANWAR SADAT Bank and Gaza Strip.
of Ezypt flew to Washington President Sadat bas warned

Bank and Gaza Strip.

The incident was described as the most serious Palestinian guerrilla attack inside Israal for theree years. It came only bours before President Anwar Sadat of Egypt left Cairs for critical talks with President Carter in Washington on the negotiations over

Palestinian autonomy. Responsibility for the attack, certain to draw a vigorous Israeli military response, was claimed in the Bagbdad capital of Iraq, by a group calling it-self the Arab Liberation Front.

The five guerrillas apparently sllpped through United Nations ines in South Lebanon around midnight, then seized the children's dormitory at the small kibbutz of Misgav Am in the north-eastern corner of Galilee, just a mile from the

After several bours' negotia-tions conducted through loudhallers, an Işraeli commando unit stormed the bullding, kill-

at the end of last year, to balt guerrilla raids from South Lebaron into Israel.

Mr. Arafat has scaled down guerrilla activities by Al Fatah, the largest Palestinian faction Five children under the age of three who had been taken hostage were rescued. Eleven which be heads, in order to gain greater acceptance for his political and diplomatic initio-Isroeli soldiers were wounded in the assault, as were four

tive among Westero countries. Mr. Menahem Begin, Israeli Prime Minister, who ia dua in Mr. Ezer Weizman, Israel's Defence Minister, who flew to the kibbutz, binted at possible military retaliation. "You'll bear about it afterwards, not before" the said Yourn's description. Washington next week for talks with President Carter, will certainly see in yesterday's incident forther evidence that the Palestinians are dedicated to his country's destruction. He is likely to use this as an

argument to support granting the Palestinians only the limited The timing of the attack, on the last day of the Jewisb administrative autonomy in the West Bank and Gaza that bas been firmly rejected by Presi-dent Sadat. The Egyptian leader is demanding far wider powers for the elected Self-Rule Passover, appeared designed to future of the occupied West

Mr. Sadat has warned that a "new aituation" will arise if Egypt and Israel fail to reacb agreemant on autonomy by the

Sadat leaves for autonomy talks

that a new situation will be

created if the May 26 deadline passes without agreement. The

Egyptian leader desperately

needa some agreement on the Palestinian issue to disarm his

Arab critics who accuse him of

selling out the Arab cause by

having ,msde a separate peace

Renter adds from Bahraio:

Egypt has released \$2bn of

Arab deposits which it froze last May, Sheikh Mohammed

Ali Abal-Khail, Saudi Arabia's

Finance Minister said in

deal with Israel.

tripartite meeting could be held later this month, if sufficient progress is mode in the Washington bilateral talks during the coming ten days.

Ihsan Hijazi adds from Beirut: The Arab Liberation Front said in a communique from here that the objective of the attack on the kibhutz bad been to mark the 33rd anniversary of the Ba'ath Party, which rules in Iraq and Syria. Tha Froot is represented in the PLO's 15-man executive committee by its general sec-retary. Mr. Abdel Rahim

Mr. Ahmed, a Palestinian, ia member of the Baghdad-based Pan-Rab Command of the Ba'ath Party.

Analysts bere see mnch significance in the attack. They believe it could herald an end to the lengthy truce the guerrillas hava observed in favour of diplomatic action.

Guerrilla groupa have de-clared a full alert ahead of expected Israeli reprisals. Analysts do not rule out the pos-

The Sandi newspaper Al-Jezira, in a report carried by

quoted Sheikh Mohammed aa saying Egypt had released the

deposits and informed the International Monetary Fund;

which had been investigating

Egypt said it had restricted

withdrawal of the deposits be-

cause the countries involved-

Saudi Arabia, Kuwait, Iraq and

economic and political sanctions

on Egypt after it signed a peace

treaty with Israel last year

-had asked for their ln-

the freeze



Mr. Ezer Weizman retaliation hint

make heavy retaliation.

Reuter adds: An Irish soldier was seriously wounded yesterday in a gun battle between Irish peace-keeping troops and Israeli-backed Rightists in Southern Lebanon, an Irish Embassy spokesman aaid here.

The Southern Lebanese por of Tyre was shelled from the Israeli border area yesterday, target date of May 26. It is sibility of Syria being drawn but no casualities were a being predicted in Cairo, Jeruinto the conflict if the Israelis Lebanese officials said.

> Even before tha listing **New EEC** move on

Later, Mr. Odd Paulsen, tha Department, union's manager, said the Extra safety checks are now Henrik Ibsen would have to be being carried out on all semi-reconverted to a drilling rig submersible rigs in the British

alarm," according to the Energy

Henrik Ibsen rig 'may never see service again'

At present the rig is barred from leaving port, pending a thorough study of its structure.

Work continued yesterday to

was evacuated on Sunday even

ing after the list developed. A

team of engineers which went

aboard yesterday repaired an

emergency generator—the main

power supply had failed when the rig lurched tha day before.

able to drive the hilge pumps

the engineers could partly empty the leg touching the sea bed, while filling some of the others. The owners, Stavanger Drilling, said later that they expected to re-stabilise the rig

Stavanger Drilling said they had a "clear picture" of what had happened, but it was too early to "allocate respon-

Ray Dafter, Energy Editor, adds: Preliminary reports of safety inspections carried out

similar to the Alexander Kielland and the Henrik Ibsen

show there is "no cause for

by the evening.

sibility."

With electricity again avail-

BY PAY GJESTER IN OSLO

NORWEGIAN mion leaders have expressed strong doubts about the future of tha hotel rig Henrik Ibsen, following an accident at the weekend when the rig developed a 20degree list.

Tha Henrik Ibsen-at present moored in Stavanger—is of similar design to the Alexander Kielland, which capsized on Norway's Ekofisk field less than a fortnight ago, with the loss of 123 lives

Mr. Aksel Kloster, who heads an offshere group of TUC-affiliated unions, said he doubted whether the Henrik Ibsen would ever see service in the North Sea again.

Mr. Rloster, the TUC's representative on the official com-mittee of inquiry into the Kielland disaster, said the committee would have to investigate tha incident on the sister-

occurred, an independent off-shore union — NOEMFO — had said it would bar its members from working on the Henrik Ibsen if the rig was used again as a hotel platform.

meet Labour Ministry officials

if its owners wanted to use it sector of the North Sea. Recent in the North Sea. NOEMFO inspections abow that over the representativea bave asked to past two years, minor cracks were found in about one-third

companies

MULTINATIONAL corporations

operating inside the EEC are to be the target of new social legislation under a proposal just adopted by the European The aim of the new regula

tions, to be outlined in a draft directive to be published in mediata withdrawal, Most Arab countries decided to imprese July, is to make multinationals' consultations with workers and trade union compulsory. The new EEC rules would

ensure that multinational cor porations operating in any EEC member-state divulge a wida range of corporate information concerning the group as a

Output and sales trends, employment prospects, investment, and streamlining programmes, and any proposed work procedures, would have to be com-municated in detail to am-ployees and labour organisa-

Consultation Consultation procedures under the new rules would be hased on existing OECD and International Labour Organis-ation (ILO) voluntary codes, and on such important questions as closures, mass redundancies and group reorganisations would most probably he made compulsory.

The move to require greater nationals active in the Community was put to the 13-member Brussels Commission last week by Mr. Henk Vredeling, Social Affairs Commissioner, and bas also been strongly hacked hy Viscount Etienne Davignon,

Jamaica starts loan talks

By Canute James In Kingston

THE JAMAICAN Government has started talks with international lending agencies and commercial banks aimed at rescheduling payments on outstanding loans. The island is due to pay \$186m on some of its outstanding loans hetween 1980 and 1985 and this week's talks in Washington are aimed at postponing repayment to

hetween 1985 and 1990. Mr. Hngh Small, Jamaica'a new Finance Minister, is to meet World Bank representatives today and will have talks tomorrow with representatives of the Inter-American Development Bank.

The attempts to renegotiate loao repayments follow the Jamalcan Government's decinegotiations for ioans from the International Monetary Fund,

tomorrow to discuss the Henrik of tha rigs operating in UK Soviet troops leave

East German town

BY LESLIE COLITT IN OSCHATZ

THE SOVIET UNION resumed amounts to 5 per cent of the its limted withdrawal of troops from East Germany yesterday pulling back more than East German town near Leipzig. force reductions in Central Last October, Mr. Leonid Brezhnev, the Soviet President, announced that Moscow would unilaterally withdraw up to 20,000 Soviet soldiers, 1,000 tanks and other military equipment from East Germany

within a year. Germany, said here that the decision—unilaterally to reduce Soviet forces in central Europe Deputy Foreign Minister, on his is heing carried out despite the way back to Moscow "complicated international Afghan rebels captured the

Soviet army's strength in East saw Pact called for the withdrawal to be included in the tanks from a garrison in this. Vienna negotiations on mutual

This was rejected by NATO, Agencies add: Sr. Isodoro Malmieri Peoli, Cuban Foreign Minister, arrived in Delhi yes-terday, from Kabul, to discuss ways to defuse the Afghan crisis. Mr. Pham Van Dong. Lt.Gen. Vyacheslay Gordi-Vietnamese Prime Minister, also yenko. Deputy Commander-flew into the Indian capital for in-Chief of Soviet forces in East a visit expected to focus in part on Afghanistan. He was followed hy Mr. Nikolai Firyubin, Soviet

This was a refer- Soviet-beld air base of Bagram ence to the West's reaction to 43 miles north of Kabul and the Soviet occupation of killed a Russian general and 75 troops, including 25 officers, withdrawal Radio Pakistan said yesterday,

U.S. poll puts Reagan level with Carter

BY JUREK MARTIN, U.S. EDITOR IN WASHINGTON

drawn level with President tion, according to an opinion nominations with big victories poll published yesterday in in Saturday's primary victories Time magazine.

The conservative Republi- Mr. Carter received 56 per can's gain derives principally cent of the popular vote and from eroding public confidence 39 convention delegates, comin Mr. Carter's management of international and domestic the survey, in the public perception that he bas been "too aoft" in dealing with Iran. However, Mr. Reagan appears to be the only presidential candidate who has benefited

from the President's problems. The poll still found Mr. Carter with a bealthy lead over Senator Edward Kennedy in the opinion of Democrats and over all the other Republican contenders.

Both Mr. Carter and Mr.

MR. RONALD REAGAN has Reagan consolidated their positions as favourites for their Lonisiana

pared with only 22 per cent and 12 delegates for Mr. Kennedy. affairs, especially, according to Mr. Reagan's victory was even more convincing-by 74 to 19 per cent over his only opponent, Mr. George Bush. He won 29 of the 31 Republican delagates. Mr. Reagan was also expected to win the lion's share of the 34 delagates to be appor-tioned in Oklahoma, where the Republican Party was holding the first stage of its caucus process last night. Mr. Carter has already overwhalmed his opponents in the Democratic

BID TO FIGHT SANJAY'S 'GROWING INFLUENCE' Janata breakaway party formed

BY K. K. SHARMA IN NEW DELHI

A NEW party has been set up in India, dedicated to "mobilise the people to meet the growing threat of dynastic dictatorship -believed to be a reference to the growing influence of Mr. Sanjay Gandhi, son of the Indian Prima Minister.

The party has emerged from the ruins of the Jacata that ruled Indla for 33 months until Mrs. Gandhi'a victory January'a General Election. Since its formation the Janata has split three times— first, when Mr. Charan Singh

broke away in July, 1979, then, when Mr. Jogjivan Ram formed his "real" Janata Party last month, and again, over the weekend, when the former Jona Saugh (Hindu Nationalist) faction quit to form the new party the Bharatiya Janata Party (Indian People's Party). Because of the Janata's dis-

integration, Mrs. Gandhi emerges greatly strengthened. The moin challenge to her is Jonata and the RSS. Others in not now from the five factions the Janata wanted the Jana that combined three years ago Saugh members to sever to form the Janata, but from links with the militant RSS.

tha Marxists, who now control the three states of West Bengal, Kerala and Tripura.

The further weakening of tha opposition comes before elec-tions next month to the legislatures of nina states which Mrs. Gandhi placed under President's rule a few weeks ago, on the ground that they had lost their mandate following the Janata's defeat in January. Mrs. Gandhi's Congress Party stands to cap-ture control of all nine states.

After the Marxists, the Bharatiya Janata Party will probably present the strongest challenge to Mrs. Gandbi. The new party will have the support of the Rashtriya Swyamsewak Sangh (RSS), the controversial Hindu para-military organisation to which all former Jana Sangh members

issue of "dual membership" of tha Jana Saugh members in the The new party will have to start from scratch, but bas the advantage of the RSS'a efficient organisation, particularly in the Hindi-speaking northern states, although the RSS is now active

in all parts of the country.

The Bharariya Janata is the only party to have emerged from the Jonata break-op with the aim of opposing the increas-ingly evident grip that Mr. Saniay Gandhi and his supporters are gaining over the

Government apparatus.

This will now be a major political issue and one that Mrs. Gandhi will have to face if, as some hope, the diverse opposi-tion forces can agree to cooperate. Moves for soma kind of working understanding among the opposition parties are to be initiated. although few signs exist that these will be successful.

FINANCIAL TIMES, Except Sundays an

the Dakotas. During 1979, the Company discovered or daveloped six new fields in this basin, where Tenneco's lease holdings now exceed 1 million acres.

FINANCIAL HIGHLIGHTS

(Millians avent per chara americal)	1070	1070
(Millions except per share amounts)	19/9	1978
Net sales and operating revenues	\$11,209	\$ 8,762
Net income	571	452
Earnings per share of common stock-		
Average shares outstanding	5.30	4.39
Fully diluted		4.17
Capital expenditures		1,008
Total assets	11,631	10,011
Year-end dividend rate	2.40	2.20

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Turkey set to improve debt repayment programme

A NEW TURKISH programme It is unlikely that the Gov- those who select the Turkish for liquidating suppliers arrears ernment's new terms will offer lira option can use their funds of \$1.9bn, stipulating more palat- swifter repayment to the com- in Turkey; and, able terms, will be ready by the end of this month.

Mr. Ozal, the Governments are being considered:

Mr. Turgut Ozal, the Governments are being considered:

Turkish lira repayment. Under

said in an interview that experts in which the debt was originally exchange rate offered was 47.10 were working on new terms in incurred. Under the current the light of criticism and alternatives put forward by some suppliers.

"It's a difficult operation," he said. "I don't know what we will be able to offer."

The original programme was unveiled last Jenuary and found few subscribers among some 96,000 suppliers, most of them West German, involved. It contained two alternativesyears. The interest rate on repayment would be an more than 7 per cent.

programme repayment was being offered only in U.S.

are considering different interest rates for different currencies:

• Liquidating small debts, tn which neither of the options is attractive, right away; Turkish lira repsymant in two Exemption from tax and years or U.S. dollars in ten other dues for those who opt for the Turkish lira repayment

• Expanding the fields in which

ment's chief economic adviser. • Repayment in the currency the current programme the Turkish lira repayment. Under Turkish lira for the dollar. The official exchange rate is 78.70 per dollar.

> The Government estimates • Improvement of the interest that between 30 and 40 per rate of 7 per cent. The officials cent of the total sum involved has already hean settled under the table by private Turkish

> > The April 23 deadline for suppliers to choose between the two methods of payment offered by Turkey was officially extended to June 23. It is understood that after the new programme is unveiled a further extension will be granted.

Saudi to expand rail system

BY ANTHONY MCDERMOTT, RECENTLY IN DAMMAN

THE SAUDI Government Rail- by Archirodon of Greece (at a revival of the historical Hijaz Road Organisation (SGRRO) in- cost of 285m rials); the con-railway linking Medina with tends to spend 4.7bn Saudi struction of a high-speed, direct Damascus, the capital of Syria.

This reflects a growing official Dammam and Hofuf. supplement the meagre road system and the busy routes of Sandia, the national airline. 1985. At present the SGRRO Under the previous develop owns 18 line baul locomotives, ment plan 276.5m riyals was 1,523 freight cars, and 58 allocated to the development of passenger coaches of which 18 the railways.

At present, the SGRRO perates a single track of capital, and Dammam, the Gulf 50 locomotives, 1,800 freight port town on the east coast.

There are additional branch — Additional SGRRO lines inlines and spurs of 140 kms. The cluding a 100 km link between line's construction was under- Dammam and the industrial taken by Aramco between 1946 zone of Jubail to the north, and 1951. Traffic has, on the whole, been light, with 264,000 Ministry of Communications, passengers carried in 1978-79 for whom the SGRRO acts as and freight at 1.4m tonnes. In the operator, aims to link 1980-81 the number of passengers is expected to rise to of Jeddah via Mecca (1,200 350,000 and freight to 3.1m kms); Mecca with the Yanbu tonnes.

• Completion of the relaying United Arab Emirates.
of 250 kms of existing treck. The best known project is the

the doubling of the line between

freight baulage, to 9m tonnes by were delivered last year by the Schlieren-Schindler group of Switzerland. Over the next fiva 571 kms between Riyadh, the years the SGRRO intends to buy

tonnes. industrial zone via Medine
The main targets of the (500 kms); and to develop
SGRRO's development plans international lines along the east coast between Iraq and the

rivals (£635m) on the develop- link between Hofur and Riyadh. This vital lifeline of the ment and extension of new lines cutting the overall journey from Turkish army was destroyed in and the purchase of rolling seven to four bours (Technital the First World War during the stock during the next five-year of Italy completed tha studies. Arab revolt in which T. E. plan, due to be launched next for this last September); and Lawrence played a key role. In February, Dorsch-Consult, the Munich-based consultants won a awareness of the acute need to Increasing the capacity of the \$4.7m contract for technical supplement the meagre road existing line, in particular and feasibility studies for reconstructing this railway. The contract was signed with a tripartite ministerial committee representing Syria, Jordan and Saudi Arabia.

The operations of the SGRRO ere heavily subsidised. The first class fare between Riyadh and Dammam costs 30 riyals (just over £4), and the second 20 riyals (£2.74)—about one third of the real cost.



Egypt considers phosphate bid

BY RICHARD JOHNS, MIDDLE EAST EDITOR

seriously considering a propo-Egypt, west of the Nile.

The cost of the project is put at \$1.5bn. (£700m), one-third of ment on its involvement last it to take into account inflation, week. It is understood from The figure also takes account other experts associated with of the necessary infrastructure (accounting for about balf) in in the project is with the cluding a township, a railway to management of the construction the Red Sea and port facilities and the marketing of surplus

most important development be commercially viable. projects and ie optimistic that the necessary finance can be

goes ahead. Occidentel declined to com-

the study that its main interest production not required by Mr. Mohammed el Sayeh, the Egypt, but some equity partici-Minister of Economy, regards pation is apparently not ruled the scheme as one of Egypt's out if the scheme is judged to

Oxychem, a part of Dr. Armand Hamer's group, is the found. The World Bank has third largest phosphate rock already aided a pilot plant that miner in the U.S. Another subsiwas sufficiently encouraging for diary, International Ore and Occidental, in conjunction with Fertiliser, claim to be the Sofremines Almsnisses, to show biggest dealer in raw materials world-wide.

SHIPPING REPORT

BSC recovery to help cargo shippers

BY WILLIAM HALL, SHIPPING CORRESPONDENT THE ENDING of the UK steel freight rates at current levels strike has given a welcome fillip to that section of the dry cargo market that has traditionally relied on the British consequent decline of confi-

Steel Corporation as e customer.
The UK imports around 16m tonnes of iron ore a year, most of which comes in large 120,000 dwt ore carriers, and may be importing as much as 3m tonnes of coal in the forthcoming year. braith Wrightson reports that

ships for steel exports. arranges around 1,000 shipping movements, or fixtures, a year, and the prolonged steel strike was beginning to hurt the smaller short sea operators which account for around two thirds of BSC's total fixtures.

In the rest of the dry cargo markets freight rates continue to be firm. Denholm Coates reports that, apart from the Gulf/Continent grain rate, which is hovering around \$18 per tonne, rates in virtually every other market for ships of between 20,000 dwt and 120,000 dwt bave risen strongly over the

last week. The Hampion Roads/Japan coal rate for a 50,000-tonner is standing at around \$23 per tonne over a quarter up on levels af the end of last year. The U.S. Gulf-Japan grain rates for similar vessels are \$28 per

In its latest market report, Matheson Chartering says that

are vulnerable. "It would take only a modest seasonal easing in demand, and

dence for rates to fall back guite sharply," the report concludes. . In the tanker markets there seems to have been a marginal improvement in rates. Gal-In eddition, it uses smaller a 250,000 tonner loading a part cargo of 230,000 tons for a The BSC estimetes that it voyage from the Gulf to Sweden was fixed at Worldscale 34.

This is nearly five points above

previous Worldscele rates for

similar trips. However, there will need to be a much bigger improvement if owners are going to change their minds and not lev up their large tankers because of the depressed market. In its latest monthly report, Davies and Newman has added four large crude carriers to its list of laid-ED Ships.

Ford Plant for India

A Ford Motors dealer will build Ford heavy trucks in India under licence, AP reports from Detroit. Ford said the dealer, Simpson and Co., would build 3,000 12-ton trucks in a new plant in Madras this year on its way to eventual annual produc-

THE EGYPTIAN Government is Taylor Woodrow of the UK. Though not particularly rich Entrepos of France, and Kaiser in quality and far from the sal drawn up by the Occidental Engineering of the U.S. are coast, Abu Tartour phosphates Petroleum group for the exploit- understood to have shown ination of phosphate deposits terest in bidding for the con- have commercial potential. Curaround Ann Tartour in Upper struction work if the project rently, the market prospects look good.

The proposal is to process 3m-5m tonoes of the ore annually and process 1.6m of neificiated rock to produce 175,000 tonnes of triple super-phospates and 350,000 tonnes of phosphoric acid.

Eximbank gets Peking loan

approval

WASHINGTON-President Carter bas authorised the U.S. Export-Import Bank to finance loans to China that will belp

sell U.S. goods there.
Under U.S. law the President must decide that it is
"in the national loterest" before such loans can be made to a Communist country. He has done so lo the past for the benefit of trade with Yngoslavia, Poland, Hungary

and Romania. When Vice-President Walter Mondale visited China recentiy, be suggested that the U.S. would make \$2bn available to China over five years. The Experi-Import Bank had a total budget of \$3.9hn last year, bot not all its money goes out on loans-it often guarantees loans by private lenders.

Mr. Thibant de Saint Phalle, one of the Bank's three directors, said in an interview that it would take some time for the Chinese to decide what kinds of imports they want to finance with loans from the Bank. He pointed out that China bas been isolated from the inter-national financial world for many years.

Congress, which bas not yet approved the bank's current bndget, will now bave in consider whether it wants to make additional money available to help China, be said.

Plan to help small exporters

By Our World Trade Staff

THE London Enterprise Agency (LEntA) is launching a major drive to belp small companies get into exporting. The agency—set up a year ago by large companies to

belp smaller ones—is to stage an exhibition at London's Festival Hall in September to promote consumer goods which small companies want to sell overseas. This initiative has the support of the buying offices of several leading overseas department stores, which are keen to establish contacts with small companies producing high quality goods.

The emphasis of the exhibition will be on high quality and original products -mainly giftware, clothing and foodstuffs. The agency considers these have the highest export potential, given the depressed state of world trade and the current strength of sterling.

As part of its drive to increase the number of small commanies involved in export.

companies involved in exporting the agency is in join forces with the Lendon Chamber of Commerce and Industry to organise a series of seminars on exporting. The first, which will be on June 4, will concentrate on export finance which is regarded as one of the major obstacles for small companies. Other seminars will deal with documentation and export services.

CHINA'S DEFENCE NEEDS

No immediate prospects for big U.K. orders

aircraft, are unlikely in the immediate future.

That is the clear impression understood to have been gained by Mr. Francis Pym, the Defence less, Secretary, in talks with Chinese political and military leaders. Mr. Pym returned to London last week after a five-day trip

The Chinese made it cleer to their British visitors that their first priority was to modernise

its armed forces, but dramatic such as the Harrier, their of 10 to 12 persons, is expected new arms deals, such as the supplies of foreign currency to open shortly—as soon as full sale of Harrier jump-jet combat were limited. In addition, they would not be able to buy as many Harriers as the UK is interested in selling. The Government, neverthe-

less, believes that British companies can do good business participating in modernisation programme. The 66 companies represented in to China which included a visit Shangbai are said to be to the Society of British Aero-confident that the exhibition will space Companies exhibition in lead to further contacts end possibly also sales of eerospace equipment.

The British Government team existing military equipment, request to set up a procurement compensatory trede, and con-

cleerance has been given by the thet a 20-year manufacturing British authorities. It will British authorities. It will agreement had been signed liaise with Peking over possible between China and two foreign purchases of both civil and

military equipment.
Tony Walker writes from Peking: China's International Trust and Investment Corporation, set up last year to attract foreign investment to Chioa, has announced final approval for signed 12 agreements with any joint venture agreements, foreign companies, according to a member of its board of directors.

Mr. Jing Shuping said that the agreements covered joint wes also encouraged by China's ventures, joint production and

BRITAIN hopes to win a including tanks, ships and office in London to smooth the tracts for a repair service for number of military contracts in aircraft. While they would like way for purchases of British foreign vessels, machine build-thought to buy new military equipment, goods. The office, with a staff iog and rubber production were

It was announced last week companies-Schindler Holdings of Switzerland and Its Asian marketing arm, Jardine Schindler (Far East) Holdings. China's Foreign Investment

Commission has not yet but the announcement of the Schindler deal, which anticipates a June start-up, and Mr. Jing's statement, suggest the Chinese may be about to give cleerance for a number of joint

Mitel wins N. Yemen contract

BY OUR WORLD TRADE STAFF

Canadian company, Mitel, has Midland Airways. signed a contract for the supply initial order for switching public exchanges in every equipment under the contract is worth £200,000.

public exchanges in every village in North Yemen, connected to the main switching

damaging en.hargo on British hampered the operation of Meanwhile, Lancer Boss, the British companies in North Leighton Buzzard-based lift Yemen, followed the impound-truck manufacturer, bas won

THE UK-BASED subsidiary of payment of a debt to British for use at Port Sudan on the

The contract with the Slough-based company, Mitel Telecom, of telecommunications equip-ment to North Yemen. The is part of a process of providing It is one of the first contracts centres by high frequency radio awarded to a British company links. The company says the since the ending earlier this contract could involve supplymenth of an unofficial but ing up to 2,000 systems in the next five years, though the

The frontlift trucks, whose capacity ranges from nine to 37 tonnes, are part of a project by the British Overseas Development Administration 10 modernise and expand the capacity of Port Sudan, the Octopus Electrical, based in Shrewsbury, bas obtained contract worth £750.000 for the supply of prefahricated wiring systems for flats in Iraq.
Octopus Electrical, which is

a subsidiary of Rists, says it ing of a Yemen Airways Boeing an order worth £750,000 to obtained the contract after 727 at Heathrow Airport for 47 supply 19 frontlift trucks to the eight days' of intensive negodays over the alleged non-Sudanese Sea Ports Corporation tiations Afghan-Soviet goods pact

supplies of consumer goods from the Soviet Union this year, the Soviet press has reported. The agreement was signad by Mr. Nikolai Patolichev, the Soviet Foreign Trade Minister, and Sulian Ali Kishtmand, Afghanistan's Second Deputy

Prime Mioister, after talks in

MOSCOW — Afgbanistan bas

Moscow. agreement followed recent talks in Czechoslovakia where Mr. Kishtmand and Mr. Rudolf Roblicek, the Czechoslovak Prime Minister, signed a protocol on trade exchanges for 1980 and discussed economic projects for the future.

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discover Brazil, the leading market of the Southern Hemisphere and this year's special guest at the Hanover Fair with over 160 exhibitors to welcome you.

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Brazil is the world's 5th largest country, "A casa é sua." ("Make World in GNP and industrial production, and excels in agriculture and stockbreeding.

Brazil has a hydro-electric potential of about 209 million kilowatts, is a world leader in alternative renewable energy resources aimed at substantially reducing oil consumption, and possesses vast mineral wealth, Its steel, petrochemical, antomotive, aeronautical, construction, and shipbuilding industries are highly developed. Importers the world over are attracted by Brazil's ever-growing range of quality products, with tailor-made financing

world's mejor commercial banks operating some 60 branches ebroed.

Companies of all sizes are attracted by Brazil's market ecocomy, business climate, opportunities for joint vectures, expanding consumer market, end enormous growth potential stimulated by e government policy focusing on free enterprise. Discover for yourself the many pro-

ducts and investment opportunities Brazil has to offer. At Pavilion 20. As we say in Brazil, BANCO DO BRASIL



NOVO INDUSTRIAIS

The Annual General Meeting of the Company will be held on Thursday 24th April, 1980 at 4 p.m. at Hotel Sheraton, Vester Søgade 6, 1601 Copenhagen V.

Agenda

 The Board of Directors' Report on the Company's activities in the year ended 31st December 1979.

2. Presentation of the financial statement, auditors' report and consolidated group accounts.

3. Resolution concerning adoption of the profit and loss account and balance sheet, including the discharge of management and directors from their obligations in this

4. Resolution concerning the application of profit in accordance with the adopted accounts.

5. A suggestion from the Board of Directors to change articles 4, 12 and 14 of the Articles of Association of the Company. .

6. Election of members to the Board of Directors, Appointment of auditors.

8. Proposals, if any, from the Board of Directors or from shareholders.

The proposal from the Board of Directors under point 5 in the agenda is as follows:

ad Article 4. According to article 4 a) the Board of Directors is authorized to increase the share capital by a total of Kr. 5,497,000 in B-shares by offering rights of subscription to the Company's employees, without any such rights being preferentially granted to the old shareholders, at a price

Kr.10,000,000. It is further proposed to authorize the Board of Directors, without any such rights being preferentially granted to the old shareholders, to increase the share capital by a total of Kr. 20,000,000 in one or more stages in connection with take-

of 105 per cent. It is proposed that

this authorization be increased to

over, wholly or partly, of an existing enterprise. The Board of Directors has at present no plans to take over such enterprise but wishes through the proposed change to obtain flexibility to take advantage of favourable opportunities, which might arise.

ad Article 12. It is proposed to delete the provision concerning election of adeputy member to the Board of Directors. This should be seen in connection with the suggestion below to increase the number of members of the Board of Directors.

ad Article 14. It is proposed to increase the number of members of the Board of Directors from 4-7 to 5-8 and to delete the provision concerning the election of a deputy member. Also the Board of Directors proposes that the age limit of 75 years be deleted. The Board will through appropriate

provisions in the Board's Rules of

Procedure implement a change

from the presentage limit to an age limit of 70 years. The Board of Directors proposes that the Chairman of the General Meeting be authorized to make such changes to the items considered in point 5 in the agenda as may be requested by the Registrar of Companies in order to have the proposed variations in the articles

entered into the Registry of Com-

The attention is drawn to the fact that the adoption of the above proposals is subject to shareholders representing at least 2/3 of the total number of votes in the Company being represented at the General Meeting, and to at least 2/3 of the votes cast as well as of the voting capital represented at the General Meeting being in favour of the proposals.

Admission cards and voting papers are available for collection or by postal application at the Company's office, Novo Allé, DK-2880 Bagsværd on all business days from 8th April to 18th April, 1980 both days inclusive between 10 a.m. and 3 p.m.

Where shares are registered

under the holder's name admission cards and voting papers will on application be issued directly to a shareholder (stating the senal numbers and nominal value of his shares). In respect of other shares, admission cards and voting papers are issued against production of the share certificates or any other documentation considered in the opinion of the Company to be satisfactory, e.g. a written statement from a bank approved by the Company to the effect that the shareholder has deposited share certificates identified by serial numbers and nominal value, in the bank, that the shares bear no endorsement to the effect that they have been registered under the holder's name, and that the shares will remain deposited in the bank until the day after the General Meeting for which the shareholder requests an admission card. Unless the shareholder specifies. an address where the admission card shall be sent to, the admission

April, 1980.

The agenda, the comlete proposals and the financial statement. auditors' report and the consolidated group accounts will be available for inspection by shareholders at the Company's office from Wednesday, 16th April, 1980. The financial statement etc. are available from the Company or Morgan Grenfell & Co. Limited. Registrars Department, 21 Austin Friars, London EC2N 2HB as from 9th April, 1980. However, the financial statement will be sent to the shareholders whose shares are registered under the holder's name in the Company's register of shareholders.

The dividends declared at the Annual General Meeting will be paid (less 30 per cent, dividend tax) from Friday 25th April, 1980 against delivery of coupon number two. Payment will take place at Copenhagen Handelsbank, 2, Holmens Kanai, DK-1091, Copenhagen K., Denmark.

Information on the Special taxation rules applicable to shareholders resident in the United Kingdom or the Republic of Ireland may be obtained from the Company or from Morgan Grenfell & Co.



card must be collected at the Com-Bagsværd, April, 1980 pany's office not later than 23rd Signed by the Board of Directors

NEB in genetic engineering venture

A PLAN to create a company Cambridge genetic is to ba put before Enterprise Board directors within a few weeks. It involves the Laboratory of Molecular Biology, funded by

the Medical Research Council The plan envisages e researchcompany structured to large msoufacturing companies, such as pharmaceutical concerns, expert service in the new technology of genetic engineering.

NEB executives helieve this arrangement could transfer technology more rapidly from laboratory to industry, and alert industry more readily to implications. cations of research in fast-moving subject.

Scientists associated with tha venture ioclude Dr. Sydney Brenner end Dr. Claus Milstein Dr. Breoner pioneered com puter mapping of nervous systems, and mooitoring genetic

control of living organisms.

Dr. Milstein developed a method to modify geoetic material which promises to ba valuable for making specific. consistent entisers in quantity for the first time.

The MRC seas Dr. Milstein's techniques as perhaps the most important methodological de-velopment in immunology in appears abla to make a wide range of drugs for diagnosis and treatment of disease,

Attempts to gain commercial support for large-scale produc-tion of antisera, es a by-product of the Cambridge research effort, failed when the National Research Development Corporatioo coocluded that Dr. Milstein's mathod of genetic eogineering by cell fosion could not be patented. Britain may

have lost valuable patent rights. The NEB company will be a joint venture with financial institutioos, excluding the NRDC, with investment of about

Council 'broke law' by house sales

LLEGATIONS that Nottingham City Council lost up to £1m under Tory control in 1977-78 through "unlawful" council through "unlawful" council house sales have been lodged with the district euditor.

The objectors say that half the alleged loss was caused by leaving large numbers of conncil houses empty and on offer for sale instead of rent. The eventual loss on more

than 5,000 houses sold between 1976 and 1979, when Labour regained control, could be £75m at 1977 prices, they claim. But under the eudlt system

the district auditor cannot take long-term losses into account, and must confine himself to losses incurred in the financial years he is examining, in this case 1976-77 and 1977-78.

The district auditor is ex-pected to hald public bearings in May or Juoe into the four main objections to the council's accounts. which are:

• Nearly £500,000 was lost in rent and rates on houses left empty in 1977-78 due to an "unlawful policy" of offering sell council houses."
all relats and new bouses for The objectors say

● More than £250,000 was lost on sale of 263 houses in 1977not adjusted over the year to allow for inflation.

● More than £250,00 was lost on eale of 47 new houses on two new estates. The council sold more than 5,000 houses in 1976-79 for £40m

without any financial appraisal setting the gains against loss of future rent income. The objectors say that the council'e house sales policy went beyond its pledge to sell to sitting tenants. In February, 1977, it put all houses up for sale, both relets and new houses,

as eoon as they became vacant. This was in spite of Govern-ment advice that "the first duty of a local anthority is to ensure an adequate supply of rented

council broke the law by not considering what the govern-ment of the day was advising.

Nottingham was designated a housing stress area in 1977, when it had one of Britain's largest outstanding clearance programmes, with more than 4,000 familes waiting to be

"As a result of the sales policy, clearance families had to be offered an official list of difficult-to-lat dwellings which were mainly in unpopular flats complexes," eays the notice of objection to the accounts.

If the district auditor agrees that an item in the accounts is contrary to law, he may epply to the High Court for a declara-

The court can order anybody responsible for incurring unlaw are substantial needs to be met part of it. Any councillor for rented dwellings, as in the required to pay more than larger cities, it is generally £2,000 can be disqualified from wrong for local authorities to office for a specified parted

Imports upset plastics federation

BY SUE CAMERON, CHEMICALS CORRESPONDENT

OVER 1500 tonnes of imported plastic coathangers come into the UK each year, mostly from Netherlands and Italy. according to a report about to be published by the British

The report is designed to help UK plastics processors combat rising imports by pinpointing areas where home-produced goods could be substituted It gives a detailed analysis of those imported plastic items, to be worth £77.4m last year, which instance, earlier British Plastics Federa. In Me

tion studies have classified under the heading miscel-

Based on a survey of plastic goods imported into the UK in

"The femiliar argument that imports bave made such headway on the home market becaose they are from conotries of low-cost labour is shown to be a false one in this

them coming from the Nether

March and May last year, the report says items like coat-hangers could be made "just as competitively in British fac-West Germany.

Last year a total of 164,000 tonnes of all plastics goods— worth around £253m—was imported into the UK.

The report reveals that this included 12.6 tonnes of plastic back scratchers, sex aids, teats, In Merch last year the UK toothpicks, fece shields, inhalers, imported 162.4 tonnes of plastic sanitary articles, disposable coathangers, 45 per cent of gloves and plastic blisters.

Housing cash shortfall at GLC

BY ANDREW TAYLOR

THE HOUSING and policy resources committees of the Greater London Conneil will meet in a special joint session on Thursday to decide what cuts should be made in the council's housing programme for 1980-81 in the light of the Government's spending pro-

Mr. George Tremlett, leader of the housing palicy committee of the Conservative controlled council said: "We need £270m to carry out our intended programme for this year but the Government has aothorised only £165m.
"We are already contractu-

ally committed to £132m for the year and there is £6m overspending from last year to take account of. Effectively we are left £27m."

The council is seeking Government permission to use £25m of its capital profits from property and land sales in addition to its bousing investment programme alloca-tion for 1980-81.

All councils will be able to supplement their annual invesiment programme alloca-tions by capital receipts from April, 1981. "If this does not

materialise we shall have to decide what our priorities must be. It may well be that we shall have to limit our home loans to a very few special categories in order to keep other sections running," said Mr. Tremlett.

The implications are that new hullding will decrease, and that could have serious staffing implications. Also we would not be able to begin new initiatives with housing associations

that may go up in smoke still firmly resisting renewed attempts by the Department of

curbs on cigarette advertising.

A meeting between the tobacco companies and Department of Health officials is expected to be held in the next few weeks, and a compromise agreement is still likely to be The narrow gap between negotiating positions adopted by

both sides was shown by the fact that an agreement was almost concluded shortly before the Budget. A last-minute hitch in the negotiations forced post-ponement of the crucial final

This last minute hitch is believed to centre on size and positioning of the new health warning to be printed on all

cigarette peckets.

The tobacco companies are understood to ba refusing to bave the warning printed prominently on the front of each packet, rather than on the side

Although this is a crucial area of the negotiations; the tobacco industry fears that the longer the talks drag on over this issua the greater encouragement It gives to Sir George Young, Health Under-Secretary, who is leading the talks, to hold out for even more conces from the industry.

The three-year voluntary agreement on cigerette advertising, which came to an end last mooth, will continue until a new agreement is made. But if both sides now decide to compromise no further, the end

result is unpredictable.

The Government would be forced either to take statutory powers to ban all cigarette edvertising, an extremely unthe tobacco companies to heve greater freedom to advertise their products than they have had for several years.

Already both sides have com-

promised considerably in three months of negotiations.

Extended advertising curb

on all advertising, voluntarily is aware or goom feelings some agreed by the tobacco industry.

The companies initially were reluctant to move further from the existing agreement, which bans all cigarette advertising on telavision and advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of pointing out that it is advertising of the effect en public opinion of th telavision and advertising of middle to high tar-yield clgarettes; limits cinema cigarettes; limits cinema advertising to X certificate pro-

O DAVID CHURCHULL, Consumer Affairs Correspondent, looks at the trouble in the tobacco industry over its advertising.

pressures building up because of the alleged harmful effects on health, and so agreed to tighten up the present advertis-

ing restrictions It is believed that the industry is prepared to abandon the remaining television advertising of cigars and pipe tobacco, and sibly to curtail its cinema advertising. It is understood to be prepared even to curtail slightly its heavy expenditure on poster and Press advertising.

The companies are reluctant to go very far on more promi-nent displays of health warnon individual cigarette

The industry feels that the time has probably come to dig in its beele and stand firm. As Mr. Andrew Reid, chairman of Imperial Tobacco, has said: "No industry should be forced into a position where its freedom to protect its market share and to improve its profitability is hampered and hog-tied by Government decree.'

Sir George and his officials fustified. A total ban would must also feel that they have a also conceal which brands have strong case not to compromise a low tar yield.

smoking encouraged the Department of Health officials to start cant fact that some 19m adults their negotiations from the smoke cigarettes, and 2m digars on all advertising, voluntarily is aware of guilt feelings some greed by the tobacco industry.

The companies industry.

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To the everage smoker there must be more than a smeaking grammes only; and imposes a feeling that if the tobacco com-number of other minor restric-tions on the industry. feeling sums estimated by some tions on the industry.

But the industry has acknowledged the strong anti-smoking advertising the price of cigarettes could be reduced.

But with some 70 per cent of the price of a packet of cigarettes going on Excise duty and VAT, even an end of all edvertising would do little to redoce the price. Surveys have shown that most

dvertising does not substantially increase total cigarette consumption but promotes brand

A total ban would virtually freeze present market share positions of companies imperial is dominant with more than half the market, followed by Gallahers, Rothmans, BAT and Philip Morris and hinder competition between these companies.

Second, it would mean that elgareties became virtually just commodity, sold on price differences alone. Consumer choics would thus effectively be ended-and there are some sigbetween brands, apart from such factors as filter-tips, or "king-size" cigarettes, and so

Since the Government is committed to increasing competition and at least maintaining consumer choice, it is likely to consider the effects of a total ban on cigarette advertising not

Australia's Gold Coast

A unique investment opportunity

Probably, never again in Australia, will an investment opportunity like this present itself. 3800 acres, situated in the country's foremost real estate boom area. Virtually, in the heart of Australia's favourite tourist area, Queensland's Gold Coast, this land provides potential unlimited.

It is situated no more than 4km from the glorious Pacific Ocean, surf and the Gold Coast's 30km of white sandy beaches.

Where is the Gold Coast?

The Gold Coast is situated in south-east Queensland, only one and a half hour's drive from the Brisbane International Airport. It is also well serviced by its own very busy jet airport, from which are operated commuter air services to Brisbane, and direct services to Sydney and Melbourne. Queensland is regarded as the premier growth State in Australia and the Gold Coast is the fastest growing area in the State.



What does the Gold Coast offer?

The Gold Coast, with its magnificent beaches and inland canals and waterways, compares favourably with any other place in the world, offers unlimited sailing. surfing, swimming, boating, water skiing and fishing, and is a haven for tourists. There are many man-made facilities such as golf courses, zoos, gourmet restaurants and nightclubs, to fully involve tourists in a wide variety of relaxing and interesting things to do.

Then there are these special features that make up a perfect formula for successful hospitality trade: a sub-tropic climate, cool, prevailing breezes from the north-east and the south-east, coming straight off the blue Pacific, a summer average of 28° Celsius, in winter 22°, and 139mm of rain annually.

It has been summed up as Miami in its adolescence and has many of the features of the French Riviera with foothills and ranges flanking the coastal strip from behind, a first-class boating marina, beautiful ladies who have become an essential part of the landscape and the special holiday

atmosphere of total abandon. Yet the Gold Coast hasn't become over-serviced with tourist facilities, or residential developments. Continuing growth will demand more housing, international class hotels, perhaps a casino, international resort complexes and large sporting facilities .. in fact, this land parcel lends itself to just about any concept the imagination can conjure up.

Strategic position This is the largest amalgamation of land situated so close to the booming heart of the Gold Coast. It comprises 27 separate titles with a total area of 1545ha. Any further major development of the coastal strip will probably need to involve this land. Because of its size and location, it is probably the most strategic land parcel on the Gold Coast today.

Who is the vendor?

The vendors are the Receivers for the Associated Securities Group being partners in the Australian national accounting firm of Hungerfords Chartered Accountants.

The Company in receivership is A.S.L. Developments Limited (Receivers and Managers Appointed), which was part of the Associated Securities Group.

A.S.L. was a major land developer in its own right and had designed development for this site, which is known as the Merrimac project. The receivers for the Associated Securities Group have a prime responsibility to realise assets for the benefit of secured creditors and cannot, therefore, continue to outlay funds to develop such a large land holding and consequently they are obliged to offer it for sale.



A concept plan was drawn up prior to A.S.L. going into receivership, and development of Stage One was ready to begin. Thus the ground work has been done and local authorities approved and welcomed the concept plan. The plan provided for the land

to be primarily used for residential purposes, and in this manner would cater for a population of the order of 27,500 people, together with necessary supporting land use allocations, such as schools. neighbourhood shopping, parks and open spaces. The residential areas include extensive lake and waterfront developments, as well as elevated parcels with extensive views. In addition, there is provision for more sophisticated land uses such as large commercial centres, hotels, sporting complexes, etc.

How is the land to be sold? In view of the fact that it is such an exciting and strategic land parcel. it will certainly attract a great deal of interest from investors not only in Australia, but also elsewhere. Accordingly, it has been decided to offer the land for sale on a tender basis worldwide. These tenders will close at 12 noon, 31st August 1980. All enquiries concerning the offer

of this land for sale by tender. including arranging on-site inspections, etc should be addressed to: The Receivers Accredited Marketing Agent: - Mr. G. Wilson.

Chief Executive, Land Sales Division. Ray White Real Estate Pty. Ltd., 12th Floor, 260 Queen Street, Brisbane, Queensland, 4000 Australia.

Office Hours After Hours (07) 31 2001 (07) 371 3543 (07) 229 6534 Telex: RAYWHI AA42053

London appointments Mr Wilson will be visiting London from 15th to 20th May to discuss the project in detail with prospective tenderers. If you wish to make an appointment with Mr Wilson, please write to the above address as soon as possible.

New companies 'may not create many jobs'

BY ANTHONY MORETON, REGIONAL AFFAIRS EDITOR

THE POPULAR belief thet newly-formed companies can play an important role in creat unique to Cleveland. In the ing pew jobs is questioned by prosperous. West Midlands, Dr. David Storey, of the Centre where the impact of new compore entitled Job Generation and Small Firms Policy in Private in the impact of new companies was greater, only two of and Small Firms Policy in 100 employees nine years later.

studies in four parts of Britain work in the U.S.

From an analysis of Clyde-side, the West Midlands, the East Midlands and the county of Cleveland, he argues that not more than one oew mannfacturing joh in every seven was created by wholly new estab-lishments.

In the prosperous regions, ehout 30 per cent of new jobs were created by openings, about half of these heing created by newly set-up firms. In the assisted regions the figure of new jobs created by openings is much higher (70 per cent) but only 14 per cent could be ettributed to wholly new establishments. The rest come

from firms expanding. Dr. Storey also says most new companies remain small even if they survive for a decade. Not one new company act up in Cleveland between 1965 and 1976 employed more than 100

And on Clydeside only 1.4 per Dr. Storey, who also teaches cent of new concerns were over it Durham Upiversity, says the 100 mark after nine years. Dr. Storey does not deny that do not necessarily substantiate policies to assist small businesses are important or that small companies have shown a relatively impressive rate of

employment growth, But "it has been shown that even rais-

ing substantially the rate of

new-firm formation can have only a minimal impact on manufacturing employment, at least for a decade. "If no offsetting actions are taken its impact will be primarily in areas where the

need to create employment is Changes in the rate of income tax are not likely to alter this situation, he claims. Cutting the marginal tax rate makes it more attractive for a potential entrepreneur to remain in salaried

Job Generation and Small Firms Policy in Britain, by David Storey. Policy Series II. Centre for Environment Studies, 62. Chandos Place, London, WC2.

Channel ferry duty free sales make £15m a year

BY OUR SHIPPING CORRESPONDENT

CROSS-CHANNEL ferry operators make over £15m e year from duty-free sales on their sbips. Without these profits, fares would have to be increased by 15-20 per cent, eccording to stockbrokers Phillips and Drew.

In a study of the cross-channel ferry services, Phillips and Drew estimates that the ferry companies make about £2.50 "pure profit" after bandling charges on a bottle of

spirits.

The stockbrokers say sales of dnty-free goods are probably the most important source of the most important source of profit in the cross-channel pas-senger business. P and D be-lieves 13m people a year buy some on the ferries.

Unlike the duty-free shops at airports, which have to pay high

rentals to the airport authori-ties; the ferry companies make very high margins on the sale of duty-free goods. P & D estimates that if the sales were banned. Sealink would do little better than break even in comparison with its 1978 nperating surplus of

Townsend Thoreseo, owned by European Ferries, depends less on duty-free sales. Eveo so its shipping profits would be cut by close to a third, to £13m,

The EEC has attempted in the past to remove duty-free allowances for people travelling between member countries. Rowever, P & D sees little

chance that they will be banned. • Townsend Thoresen is knocking £26 off its normal five-day return fare for a car with two adults on all its Dover sailings during April. The new fare is £50 return.

Atkins to meet Irish minister

By Stewart Daiby

MR. HUMPHREY ATKINS. Secretary of State for Northern Ireland, will this week have his first meeting with an Irish cabinet minister since the formation of the new Dublin Government by Mr. Charles

Haughey in December.
It seems certain that Mr.
Brian Leniban, the Irish
Foreign Minister, will press for government to government talks about Northern Ireland and will pressure the British Government to remove its guarantee that Northern Ireland will remain part of the UK for as img as the majority wishes it. The talks will probably take

place tomorrow.

Mr. Atkins refrained from discussing government to government talks during his constitutional conference simed et exploring ways of devolving more political power to Northern Ireland. The talks were adjourned just before Easter.

having an effect.

Two Canadian-owned firms,

But they account for only a

8 per cent. At least three other UK-owned companies—Stanley

P. Morrison. Whyte and MscKay and Long John Inter-

national-have as large or

They have escaped the full force of publicity and criticism, yet are also bending to public

attacks, by unions and private

lobbying within the industry.

that they had held their volumes of malt to Japan and

would not increase them, io

These five companies, two

estimated by industry sources

to export about 80 per cent of

total malis sold to Japan. The

remainder is supplied by a hand-

demand.

All three said at the weekend

restraining sales to Japan.

NEWS ANALYSIS—RAY PERMAN LOOKS AT WHISKY DISTILLING

Scotching bulk malt for Japan

Treasury inflation forecast challenged

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

SCEPTICSM about the economic allow a modest relaxation of the decline in short-term rates financial strategy is expressed in rates between now and the could have fallen to 12 nr 13 some of the batch of stock- autumn brokers' analyses published over

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· Brokers James Capel argue, for example, that the strategy will bave only a gradual impact on the inflation rate. The hrokers question the relation ship of monetary policy to expectations in the labour market. They suggest that the inflation rate will still be about 14 per cent by the end of 1921

year. By then public sector ing more fully under control. "The main problem areas, however, remain the outlook for earning and prices.

"Allowing for the latest for the per cent by the end of 1921

"The main problem areas, however, remain the outlook for earnings and prices.

"Allowing for the latest for the per cent by the end of 1921

14 per cent by the end of 1981. "Provided the targets are adhered to, and the UK has never experienced a period of monetary restraint lasting longer than two years, the rate of inflation might be expected to fall to 10 per cent in 1982 with a further fall in prospect

In the short-term, James Capel suggest that the Treasury projection of a decline in the 12-month rate to 161 per cent by the end of this year looks optimistic and the brokers estimate that the rate will then

in the medium-term strategy. property, contracts, criminal On the broker's assumptions prosecution and directors' and the implied "fiscal adjustment" officers' breach of duty. of £31bn ln 1983-84 is reduced to a near-negligible £750m. Brokers de Zoete and Bevan

assumptions underlying the monetary policy, permitting a expected in the second half of Government's new medium-term decline in short-term interest 1980-81 will be sharp and MLR

The brokers say there is no December. evidence that this reduction will be large, nor that it will be sustained through the second half of the 1980-81 financial

per cent by the end of

Brokers Capel-Cure Myers believe that this month's statistic's are likely to show that the monetary aggregates are com-

In contrast, hrokers Panmure Budgetary measures, the infla-Gordon conclude that a reduction rate is unlikely to peak tion in Minimum Lending Rate before May or June when the is unlikely before early June. annual rate will be around 22 But the firm is convinced that per cent."

proceedings, especially in the

The second package makes

insurance and advisory services

available tn emplnyees as an

employee henefit service, with

the employer meeting the pre-

mium costs.

Hambros offers legal costs cover

HAMBRO Housley Heath, the employers a legal advisory ser-insurance broking arm of vice covering all aspects of their Hambros, the merchant banking work which could involve legal group, is to go in for legal

It is forming a new company, Hambro Housley Legal Protection, in conjugation be 18 per cent tion, in conjunction with the Brokers Phillips and Drew questinn whether the public broking firm based in Colexpenditure plans published on chester 1t intends to offer twn Budget day will, in the event, leave room for tax cuts of anytion, in conjunction with missal procedures. offers companies legal protecthing like the amount suggested tion covering employment.

Besides providing insurance to cover litigation expenses and any damage costs, the new company offers urge data safeguards By Gareth Griffiths

Consumers

THE CONSUMERS Association is to press the Government to introduce legislation to safeguard the use of personal information.

In its monthly magazine Which? the association suggests that legislation would he in everyhody's best interests. Unless it is iotroduced. Britain could become a haven for "dirty data" — information illegal in its country of nrigin -it says. The association wants legislation to cover all records, not just those stored on com-

Its recommendations go heyoud the scope of the Government's 1978 Lindop report. which merely recommended controls on computerised data. larger shares. Tse association's scheme

includes compulsory registra-tion of all central and local government organisations storing personal information, together with many in the private sector; legally enforceable codes of practice; and a data protection authority.

The association says the cost of implementing the proposals would he quite small.

The Which? report says the most serious problem areas for possible abuse of personal information are local authority and medical records.

The report says a code of practice for medical records should be an urgeot priority

export of bulk malt whisky to Smaller operators have been Japan shows that relentless lempted to the trade, taking criticism by unions and several sdvantage of continued demand major Scotch distillers steadand low prices of mature malt fastly opposed to the trade is

whiskies in recent years. This sector is less susceptible to pressure and appears to be Seagram and Hiram Walker, increasing its business to make incorerctly identified by unions up the shortfall, because while major companies involved bave as main "nffenders," have been turning away bosiness and are reduced or are bolding their volumes steady, Customs and Excise figures show that bulk fifth of total bulk exports to malt sales to Japan rose Japan, with Hiram Walker marginally in 1979 to 6.3m proof taking about 12 ner cent of the gallons. trade, and Seagram less than

Bulk malt is used by Japanese distilleries to improve the taste of their own blended whiskies. Opponents of the trade argue that by selling them Scotch, superior in quality and offering a wide range of flavours for bleoding, the opportunities to penetrate the large Japanese home market with sales of bottled Scotch are reduced aod there is a risk from Japanese exports to other important whisky markets.

This last fear is the most spite of continuing strong poteor among apponents, whn envisage that Japanese exporters may dn to Scotch what the Japanese did to other Canadian and three UK, are British industries, such as television and motor-cycle manufacture.

Yet so far it is only a fear. ful of smaller, independent dis-tillers, and some companies and whisky producer in the world, brokers who buy malt whisky on with 14 per cent, but the vast

A SURVEY of major companies the open market and ship it majority of its production is whisky for 50 years and have consumed at bome, exports are some of the largest distilleries

In 1972, for example. Japan to be dislodged and have the exported 54,000 cases of size and stocks to be able to whisky, and the figure dipped phase-in taste changes.

had risen to only 61,000 casesof Scotch exports. The NEDO working party, which examined the question 15 months ago, conceded that

Australia. Mr. Steve McCann, chairman of Hiram Walker, believes that after trying "aggressive" advertising, particularly in "aggressive" oo the subject. America, the most important whisky market in the world, Japanese distillers led Suntory have been disillusioned hy results and are toolog down their approach.

"There is no dynamism in Japanese exports. We are talking about peanuts, but this is what our critics would have us believe is the big threat to Scotch whisky," be said.

Mr. McCann alsn argues—a view shared by all main bulk exporters-that it is fallacious to believe that a reduction in bulk malt supplied to Japan would lead to a corresponding rise in hottled exports of

Scotch. The Japanese, who bave made supply.

tiny and have been increasing in the world, have too firm a grip oo their own bome market

to 36,000 in 1976. By 1918 lt An overnight end to bulk sales would not mean a dramatic around 0.1 per cent of the total fall in the quality of Japanes "special class" whiskies, which are about half of total sales in the country and compare most

closely with Scotch. Japanese export efforts bad No other issue in the whisky been unsuccessful but mentioned a "significant promobeat at the bulk malt tional effort" in the U.S. and controversy. It divides the beat at the bulk malt controversy. It divides the Scotch Whisky Association, and even the Government finds it difficult to come to a firm view

The opponents of the trade were not able to produce any convinciog evidence to support their case for a statutory or a voluntary restriction on sales, yet it appears that their campaign is having an effect.

Hiram Walker and Seagram are reducing their exports to Japan from Scotland but are building distilleries elsewhere and other bulk markets with malts.

The Japanese themselves have also become concerned at the uncertainty. At least one company bas begun to buy "fillings." new spirits which will be matured in Scotland, in

National Insurance rates rise this week

BY ERIC SHORT

Insurance contributions take effect this week. Basic rates rise by 0.25 per cent for ceiling. employees and by 0.2 per cent Fur for employers.

In addition, higher-paid employees and their employers, will pay more because the earnings ceiling has been

Employees fully in the State scheme will pay 63 per cent on earnings up in a ceiling of £165. per week, and their employers ceiling.

. Previously the rates were 61 per cent and 131 per cent ff.2,650-£8,300, compared verspectively on earnings up to ff.2,650-£8,200, compared verspectively on earni

more a week will pay an extra a week if they are not

HIGHER RATES of National after the rates will be 41 per cent for employees and 9.2 per cent for employers, up to the

Fur a contracted-out em-ployee earning at least £165 a week, the weekly rise in con-

tributions is £1.69. The self-employed will also pay bigber contributions in almost all cases. The basic flat-rate contribution is lifted by 40p to £2.50 a week. .

Although the basic rate for earnings-related contributions 13.7 per cent, including the stays at 5 per cent for the self-surcharge, up to the same employed, the band on which the contribution is levied is now hased on annual earnings of £2,650-£8,300, compared with

A self-employed person earn-Employees earnings £165 or pay an extra £66.20 a year. Increases in Social Security payments, announced in contracted out of the State Budget, will not come into force until the week beginning

For contracted-out employees. November 24. Contribution the full rate is paid on the first rates will be reviewed in the £23 a week of earnings. There antumn. Petrol prices help raise

motorcycle sales by 27%

THE NUMBER of vehicles on according to the Department of Transport's annual census.

The biggest increase was in scooters . and mopeds, probably caused by increases in the price of petrol. There was a 27 per cent in-

crease in new motorcycle registrations last year.

The number of private cars

and vans increased by 3.5 per cent from 14m to 14.57m. This was mainly influenced by a record 1.7m new registrations during the year. In spite of petrol price in-

creases, motorists showed a contimued preference for cars with medium-sized engines. The number of cars in the 1,201 cc to 2,000 cc range increased by 6 per cent from 8.53m to 9.03m. while the number of cars up to 1,200 cc fell from 4.2m to

There was alsn an increase in cars with engines above 2,001 cc, from 1.09m to 1.17m. The department estimates the average age of private cars and vans as five and a-half years. About one-third were imported. Since 1978 vehicle counts have been hased wholly on the records held at the Driver and Vehicle Licensing Centre at Swansea, allowing more detailed

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 Vauxhall, the General British roads grew by nearly Motors subsidiary, bas delivered 4 per cent last year to 18.62m, 20 per cent more cars to fleet customers sn far this year than in the same period of 1979, according to Mr. Des Savage director of marketing.

Recent fleet business, total-The number on the road rose by Sing £22.5m, includes nrders 8 per cent from 1.19m in 1978 from Avis, Swan National and to 1.29m last year. Godfrey Davis among the car hire groups, as well as London and Granada TV

> Mr. Savage claimed that availability of Vauxhall cars was at its best level for some time. During the first two months of 1980 the company had sold more cars in the UK than in any cor-

responding period since 1973.

The company gained more than: 8 per cent of the market in February and March and it is to recruit a limited number extra dealers.

2,000 building jobs at risk

SENIOR officers of Liverpool Corporation are worried that as many as 2,000 building workers in the municipal and privatesectors could lose their jobs because of the city's bousing

The unemployment rate in the insight into vehicle characteris-tics. building industry in the region is already one of the highest in the country. City councillors will review the position at a special meeting on Thursday when they consider action over the Government's cuts in the housing programme.

Liverpool is to get £47m in grant ald, £16m less than they asked for. As they overspent by £6m on last year's programmes only about £8m is left for any new projects.

The city works department alone needs about £8.5m to keep its labour force fully occupied. The Corporation has already imposed a halt on all applications for mortgages and improvement grants, and has suspended land purchase and new building contracts.



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into a washroom.



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The National Airline of Greece

Teachers reject disruption curbs

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

TEACHERS yesterday rejected member NUT, said tha "sudden education authorities' plans to urgency" of the education authorities' attempt to tighten authorities' attempt to tighten

National Union of Teachers' conference in Blackpool voted unanimously against the employers' plan to obtain a promise from the teachers' unions to reach early agreement on defined working duties.

The authorities want to reach an agreement during negotia-tions in the Burnham Com- aim of a working year of 190 mittee, the joint forum which the balance of the 1979-80 pay

The commission's report, due to be published next week, is believed to propose that teachers members employed in special should be expected to work about 37 hours a week during disabled children. term time, of which ten bours should be devoted to super-vising school meals and similar support to any of the union's activities now considered

schools by withdrawing from working conditions was clearly voluntary duties. meant to forestall a ban on out-of-hours duties which tha

disputes a year ago. applause.
The union decided to continue

meeting the employers in a working party on service and aim of a working year of 190 days, with the equivalent of at aets teachers' pay rates, on the cleast 38 days away from the cleage Commission's report on classroom for preparation and marking.

The conference also expanded the union's scope for protest by removing its ban on action by schools, such as those for The NUT executive

branches which stage a balf-day strike on May 14 in support o woluntary.

Mr. Jim Murpby, immediate the TUC's day of action against past president of the 258,000
Government economic policy.

Stores staff accepts

woods' 109 retail stores have voted to accept a two-stage pay increase giving rises of £8 a week, the Union of Sbop, Distributive and Allied Workers said yesterday.

The first increase of £6 will be paid immediately, with a further £2 to be paid in June. The union said the increase would raise the national minimum basic wage for adult sales assistants to £55

The deal, covering 19,000 staff, includes a special provincial rate of £56.75 for sales staff in 14 city stores. Outer, innner and

London rates rise to £57.90, £60 and £70 respectively. All other job differentials are increased proportionately. Similar claims from the union are pending with Owen Owen, Lewis's and British Home Stores. The union settled for £55 with Wool-

Government may impose phased plan for Civil Service pay rise

to stage an 181 per cent pay increase for 600,000 whitecollar civil servants is making it likely that the Government will impose staging arrangements without union agree-

Some union officials think an announcement from the Government could be made as quickly as this week to bring in the staging arrangements by what is known in the Civil Service as administrative action.

The imposition of arrangements is likely to fuel attempts at the unions' conferences next month to claim that the Government is ignoring the present pay agreement for political reasons, and that the unions sbould pull out of the Pay Research Union comparability

sary to bridge the 1.9 per cent average gap between the 16.85 per cent available to pay for

system.

limit for the Service and a new round of manpower cuts, and the average size of the agreed

ing of general secretaries and senior officials last week ended in disarray. The general secre-taries will meet again today but little progress is likely. The Civil Service Department

is likely to impose one of tha two main staging options which have support among members

of the whole amount to early ment date from April 1. This could be the least expensive method of meeting the cost of officials have donbts, because most Civil Service payments are made by computer and even an

UNION DISARRAY over how the increases from the cash April 1 agreement would not now be in pay packets until the end of May.

The second would give a large increases.

amount from April 1, with the
Leaders of the unions have balance in either July or
been unable to agree what form. August, depending on the size April I payment to average

arrangements for individual Servants, is so far behind with its members, becausa its PRU reports were late, that it sees little advantage in agreeing to

While the imposition of staging might raise conference officials acknowledge privately that it might be the least

BUSINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

	Dale	1106
	Current	National Boys and Girls Exhibition (0532 620361). (until April 9)
	Apr. 9-10	Educational Equipment Exhibition (01-247 9326)
	Apr. 15—18	COMMUNICATIONS 80—Communications Equip-
		ment and Systems Exhibition (021-705 6707)
		· Ideal Homa Exhibition (0272 312850)
	Apr. 17—20	Tipping (vehicles) Convention and Exhibition (01-387 9711)
	Apr. 19-21	Optrafair '80 (01-405 8101)
	Apr. 21—25	International Fire, Security and Safety Exhibition —IFSSEC (01-388 7661)
	Apr. 22—May 2	International Machine Tool Exhibition—MACH 80 (01-402 6671)
	Apr. 28	International Food and Wine Exhibition (05284- 2442)
	Apr. 28-May 1	Andio Visual Exhibition (01-688 7788)
	May 2-5	Spring Motor Cycla Show (04866 74987)
-	May 2-6	Boat Show (0272 657783)
	May 3-5	National Collectors Exhibition (01-629 4917)

Wembiey Conference Centre Blugley Halls, Birmingham

Alexandra Palace

Harrogate

OVERCEAS PRANT FAIRS AND EV

OVERSE.	AS TRADE	PAIRS	AND	EXE
Current	MODEXPO '80; Interos Transport—Expo '80 (0 Hanover Fair (01-651 2	ational Ladies F: 01-486 1951) 1191)	April 10) ashion Fair	Ganeva Zurich Paris Hanover
Apr. 21—25 Apr. 21—25	World Tobacco Exhibit Scientific and Measure	ion (0737 68611) ment Apparatus	Exhibition	Zagreb Nice
Apr. 24—28	(INSTRUAMA) (01-2 Perfumery and COSMOPROF	Cosmetics	Exhibition	Brussels Bologna
Арт. 29—Мау 2	Biochamical and Instru (ANALYTICA) (01	1-486 1951)	Exhibition	Munich
May 2—9	"Salon International (01-584 8827)	du Textile et	du Cuir	Casablan
May 6—8 May 7—11	Compec Europe Exhibi			Brussels Copenha
	International Trade Fa (01-409 0956)	ir for Optometr	-OPTICA	Cologne
May 14—17	International Tyre De treaders Trade Fai	alers, Vulcanizer r	rs and Re-	Essen
May 17-21 May 19-21		xhibition. nce and Exhibit	ion (01-486	Brussels
May 20—23 May 26—30		Exhibition—PE	TROTECH bition (021-	Utrecht Amsterd
May 27—30	705 6707) Petroleum and Marine Conference and Ex	Environment In		Singapor Monte Ca

ERENCES

BUSINES	S AND MANAGEMENT (CONF
Apr. 10-11		
Apt. 10-11	Brunel University: Coping with Conflict and Management Change (0895 56461)	Uxbridge
Apr. 11	Oyez-IBC: Media Research and the Advertiser-	Orbitage
A 14	The Unexploited Factor (01-242 2481)	Hilton Ho
Apr. 14	Oyez - IBC: Consumer Credit Act 1974: New	-
Apr. 15	Ordars and Regulations (01-242 2481) IPS: Controlling Purchasing Costs in an Infla-	Hilton Ho
	tionary Climate (0990 23711)	London P
Apr. 15	CCC: Letting Residential Property for Profit	
Apr. 16—17	(01-222 6362) Food Manufacturers' Federation 8th Annual	Hilton Ho
22p1. 20 21	Food Manufacturers' Federation 8th Annual Conference: Food for Growth (01-836 2460)	Grosveno
Apr. 9-11	Leads University: Manpower in Transport-Future	G105VEU0
A 14 10	Prospects (0532 35036)	Leeds
Apr. 14-16	UKAEA (NCSR)/Turnkey Software: Data Manage-	
	ment for High Technology Industries (02407 3410)	Southpor
Apr. 15	Chiltero Personnel Consultants: Practical Salary	Southou
Apr. 15—15	Administration (04946 4822)	Gerrards
Арг. 13—10	M. G. Howitt and Ass.: Sales Promotion—Building Products and Services (0533 730400)	-
Apr. 16	Netherlands-British Chamber of Commerce:	RIBA, WI
	Holland—a profitable base for international	
Apr. 16	operations (01-405 1358)	Accountag
Apr. 18	IPS: Waste—Raciamation or Disposal (0990 23711) Oyez: Zero Basa Budgating—A priority Planning	Carlton T
	Approach to Controlling Overheads (01-242	
A 10.	2481)	Carlton To
Apr. 18 ·		
	(01-242 9485)	Royal Gar
Apr. 18	CCC: Naw U.S./UK Double Tax Treaty_its	Monat Gai
Apr. 21—23	Substance and Implications (01-222 6362)	Hilton Ho
Apr. 21—20 ,	Institute of International Business Law and Practice: Arbitration and state courts (Paria	Paris
	225.40.33)	
Apr. 21—23 Apr. 22	Oyez: London Insurance Conference (01-242 2481)	Grosvenor
Apr. 22 Apr. 23	Gower: Trading with Zimbabwe (01-242 9485) ESC: Solving the Problems of Trade Unions in the	Waldorf F
	Doiling me Flooreins of Frace Offices in tha	

lotel. W1 fotel, W1 Press Centre iotel, W1 or House, W1 Cross ints Hall, EC2

Tower, SW1 rden Hotel, W8

r House Hotel, W1 Hotel, WC2 Hotel and Catering Industries (057282 2711) Cumberland Hotel, W1

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Financial Times Conferences

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The opening session will be devoted to the European electronics industry with papers by Dr. Friedrich Bauer, Executive Vice-President, Stemens AG; Mrs. M. Cantoni Bellisario, President, Olivetti Corporation and Dr. Robert Heikes, Vice-President International, National Semiconductor GmbH.

World Banking Singapore - June 2 and 3, 1980

The opening speaker et this important annual conference, to be held this year in Singapore, will be Mr. S. Dhanabalan, Minister of State for Foreign Affairs, Singapore. Other distinguished speakers will include Mr. Roberto Ongpin, Minister of Industry, Philippines; Mr. James, R. Greene, President, American Express Internetional Banking Corporation, New York; Mr. Don Mentz, Director, Asian Development Bank, Manila and Encik Malek Ali Merican, Group Director of Corporate Affairs, Sime Darby Holdings Limited Knala Lampur. Darby Holdings Limited, Knale Lumpur.

The conference will be supported by The Banker, Business Times, Singapore, and Singapore Airlines.

All enquiries should be addressed to: Financial Times Limited Conference Organisation Minster House, Arthur Street London ECAR 9AX Tel: 01-621 1355 Telex: 27347 FTCONF G Cables: FINCONF LONDON



Notice of an adjourned Meeting of the holders of the U.S. Dollar 81/2% Convertible Bonds Due 1987

On 10th March, 1980, CompAir Limited ("CompAir") published in the Financial Times a Notice convening e Meeting of the holders of the 81 per cent. Convertible Bonds Due 1987 ("the Bonds") to consider end, if thought fit, epprove an arrangement which CompAir was proposing to Bondholders in connection with offers made by Imperial Continental Ges Association ("the Association") to acquire the share capital of CompAir (which offers were declared unconditional in all respects on 24th March, 1980). The time appointed for the holding of this Meeting was 11 a.m. on Thursday, 3rd April, 1980. At thet time, the prescribed quorum was not present and the Meeting was adjourned to 11 a.m. on Tuesday, 6th May, 1980. In accordance with the Trust Deed constituting the Bonds, a Notice of this edjourned Meeting is printed below. At the adjourned Meeting the quorum will be two or more persons holding Bonds or voting certificates or being proxies and being or representing in aggregate the holders of not less than one-quarter of the Bonds.

The arrangement which CompAir is proposing to Bondholders at the request of the Association is in eccordance with the Trust Deed constituting the Bonds and will entitle Bondholders to receive a consideration of:-

£714.41 in cash for each \$1,000 Bond

Any Bondholder who so wishes may (up to the close of business on 30th May, 1980) elect to receive, instead of £714.41 in cash, £340 nominal of 8 per cent. Convertible Unsecured Loan Stock 1995/2000 of the Association and £374.41

The Resolution to effect the errengement requires to be passed by a majority of not less than threequerters of the votes cast at the Meeting. When the Resolution becomes effective, it will be binding on ell the Bondholders, whether or not present or represented et such Meeting, end upon all the Couponholders.

If they have not elready done so, Bondholders are therefore asked to deposit their Bonds with Paying Agents to obtain voting certificates or appoint proxies as soon as possible. It should be noted that Bonds must be lodged not less than forty-eight hours before the Meeting.

Unless revoked, block voting instructions and voting certificates for the first Meeting will remain velid in respect of the adjourned Meeting.

The Directors of CompAir, end Morgan Grenfell & Co. Limited who heve been eppointed by CompAir to edvise Bondholders and heve been approved by the Trustee in accordance with the Trust Deed, consider the errangement to be fair end reasonable and more advantageous to Bondholders than conversion and subsequent acceptance of the offers. Accordingly they recommend all Bondholders to vote in fevour of the Resolution set out in the Notice of Meeting.

COMPAIR LIMITED

NOTICE IS HEREBY GIVEN that an adjourned Meeting of the holders of the 81 per cent. Convertible Bonds Due 1987 of CompAir Limited will be held at Winchester House, 100 Old Broad Street, London EC2, at 11 a.m. on Tuesday, 6th May, 1980 for the purpose of considering end, if thought fit, passing the following Resolution, which will be proposed as an Extraordinary

EXTRAORDINARY RESOLUTION

THAT, subject to the offers by S. G. Warburg & Co. Ltd. and Lazard Grothers & Co., Limited on behalf of Imperial Continental Gas Association ("the Association") contained in the offer document (the "offer document") dated 29th February, 1980 (a copy of which has been produced to this Meeting and signed for the purpose of identification by the Chairman hereof) to acquire the New Shares and the Oeferred Shares (or the Existing Ordinary Shares) (all as defined in the offer document) of CompAir Limited ("the Company") or any revision thereof becoming or being declared unconditional in all respects", this Meeting of the holders of the 8½% Convertible Bonds Oue 1987 of the Company ("the Bonds") constituted by a Trust Oeed dated 7th April, 1977 and a Oeed supplemental thereto dated 4th April, 1979 (together referred to as "the Trust Oeed"), of which Barclays Bank Trust Company Limited ("the Trustee") is the trustee, hereby — (1) sanctions the abrogation of and arrangement in respect of the rights of the Countholders and of the Countholders under the Trust Oeed so that:-

(a) each Bondholder shall be bound to accept from the Association payment of, and the Association shall be bound to pay to a Bondholder who surranders his Bonds in accordance with paragraph (b) below, £714.41 for each \$1,000 Bond in lieu of his rights in respect thereof Provided always that any Gondholder shall, subject to paragraph (c) below, be antitled to elect to receive £340 nominal of 6 per cent. Convertible Unsecured Loan Stock 1995/2000 of the Association ("the Association's Convertible") (as more particularly described in the offer document) instead of £340 of the consideration otherwise payable under this Resolution and the Company shall procure that the Association shall make

ation provided for by this paragraph; payment of the cash consideration will be made upon surrender of Bonds at any of the offices of the Paying Agents specified on the Bonds any time from 48 hours after this Resolution becomes effective until the close of business on 30th June, 1980. Such payments made in London will be made in starting and payment made elsewhere will be made by starting cheque drawn on a bank in London subject in all cases to any fiscal or other laws and regulations applicable thereto. Any Bondholder who wishes to receive the Association's Convertible on the basis stated above will be required to sign a form of election which will be available at the offices of the Paying Agents. Occurrents of title (renounceable for a limited period) in respect of any of the Association's Convertible to be issued will be posted at the Bondholder's risk to the address stated in the form of election;

(c) the right of Bondholders to elect to receive the Association's Convertible will terminate in respect of any Bonds not surrendered in accordance with paragraph (b) prior to the close of business on 30th May, 1980;

(d) no further payment of interest will be made on any Bonds in respect of any period efter 31st March, 1980; (a) all the Bonds and Coupons shall be carrolled forthwith upon this Resolution becoming effective except, in the case of the Bonds, for the purpose of evidencing the right to receive the consideration specified in paragraph (a) above:

payment of cash in respect of Bonds not surrendered as aforesaid will be made by the Association to the Trustee who will hold the same in accordance with the terms of the Trust Oeed against surrender of the Bonds at Bardays Bank Trust Company Limited, 54 Lomberd Street, London EC3 at any time prior to 2nd April, 1997, whan the Bonds will become void. Any interest earned on the appropriate part of the same shall be payable to a Bondholder who so surrenders his Bond (subject to paying or providing for payment in satisfaction of any remuneration, costs, charges, expenses or liabilities, including taxation, of or incurred by the Trustee) but there shall be no obligation on the Trustee to arrange for the seming of any such interest; and

(g) notice of this Resolution becoming effective will be advertised in accordance with the provisions of the Trust Geed; and authorises and empowers the Trustee to concur in, execute and do all such deeds, instruments, acts and things as may be considered necessary or expedient for the purposes aforesaid or otherwise to give full effect thereto.

Brunel Way. Slough, Berkshire SL1 1XL, England.

and for the Meeting but not the

(4) The quarter for the passing of an Extraordinary Resolution at the Menting is at least two passes holding Bonds or eviding contificates or being provide and being or representing in appropriat the holders of or

The Directors of Compair have taken all reasonable care to easure that the facts stated and opinious expressed betain are fair and accurate and no meterial facts have been emitted and jointly

£7.3m Abu Dhabi award

WITH ENGINEERS Roughton and to the south, a vehicle park, a separate unit and a belicopter and Partners as prime consultants Architects Design Partnership is the winner of an interand to the south, a venture park, a separate unit and a centropter
maintenance and service areas. pad will be located on the roof
of the three-storey vehicle park.
The proposed structure will national competition for the design of a £7.3m Police Force disposed around a shaded court-Traffic Department Head- yard with a pool and plants. In quarters in Abu Dhabi United the judicial wing, detention Arab Emirates, sponsored by rooms will have a direct access the HAE Department of Dallie to access with several as the several of t

agreement work.

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The winning scheme is Residences will be provided in divided into four zones. Central separate buildings away from buildings containing administra- work zones with a landscaped tion, judicial, dining and stores recreation space between. To the west will be Vehicle maintenance an residential areas and a mosque vice zones are also planned as

asked by Preston Borough Council to carry out redevelop-

ment studies on the 300-acre

possible future expansion.

The central bulidings will be a 6-metre module with concrete the UAE Department of Public to court rooms with separate

recreational uses if the

redevelopment option eventu-

shading. All zones will ba enclosed within a perimeter wall for security reasons Work is expected to start on Shops to be

redesigned OVER THE next two or three nent studies on the 300-acre ally chosen is one in which on refurbishing 46 Jean Sir William Halcrow and water is retained in the dock. Machine shops in the UK.

John Michael (Design Consultants) of London is to be responsible for redasigning the corporate image of the company and much of the shopfitting will be carried ont by A. Davies and Co. (Shopfitters) of Horn Lane, London W3.

The first redesigned shop is due to open in Oxford Street,

£2.8m homes in Abu

be in reinforced concrete using CONTRACTS worth £2.8m for the building of new block infilling and a rendered bomes and a commercial/ finished. All buildings will be residential development at Al air-conditioned and sun penetra- Ain in the Emirate of Abu tion kept to a minimum by Dbabi, bave been awarded to planned orientation of depart-Al Naboodab Laing, a John ments with overbanging floor Laing Group associate comand roof slabs to give maximum pany.

At Hill on the northern outskirts of Al Ain, the company is to build 100 single-storey two bedroom brickwork-faced villas with ancillary works, for the Office of the Diwan of the omce of the Diwan of the Rnier's Representative of the Eastern Province of the Emirate of Abu Dhahi. Al Naboodab Laing bas already completed or has under construction 360 villas at Al Ain for the same client. for the same client.
This latest project is due for

completion in 19 months. The architects are Conser of Lebanon and Abu Dhabi. Work has also started at Al Ain on the construction of a three-storey building with ground-floor ahops and residential accommodation above, under a £370,000 contract for Mohammed Bin Saleh.

Architects for the building. which will have a reinforced coocrete frame and marble cladding, are the Architecture and Urban Design Company.

Floating mortar plant

joint venture of Kubota, one total of 600,000 cubic metres of Japan's largest metalwork- mortar will be pumped in. ing firms and Mitsui Shipbuilding and Engineering Company for completion in 1985, will link was ordered by the Honshu-Kojima City on Honshu Island in which it is mounted.

floating mortar plaot, capable bridge project, will be used to of producing and injecting inject mortar into 14 steel under water up to 6 cubic caissons positioned on the sea metres of mortar per minute, hed at water depths ranging will be put into operation in Japan. Japan. this, the caissons will have been The plant, manufactured in a filled with coarse aggregate. A

The bridge system scheduled Shikoku Bridge Authority.
Kubota undertook engineering Island, a distance of 13 km, and and construction of the mortar plant and Mitsui built the harge aeveral other islands between

toring mortar quality, produc- which are not readily shreddtion flow and feeding mortar able, are eventually worn away into the caissons will be under until they are small eoough to the cootrol of a computer and pass easily through the pump the weighing system is said to have an accuracy of plus or minus 0.5%, there being automatic compensation for barge roll and pitch up to 5 degrees.
It is stated that Kubota will be marketing the plant in the U.S. and Europe. The principal plant capacities to be offered will be from 0.2 to 4

all up INCORPORATION of a new macerator in its latest Rolls rotary crude sewage pump by Tuke and Bell means that tho

Breaks it

pump can he used for main drainage from warebouses, garages and small office blocks without risk of blockage by extraneous matter, says the

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The integral macerator will deal with a variety of entrained solids such as rags, paper, plastic sheets and bags.

Objects such as pieces of wood, bone or hard plastic,

and rising main, it is stated. It is a self-contained device which may be bolted oo to existing pumps where needed. New pumps can be factoryfitted with the macerator which replaces the steel chamber hitherto included on the standard pump.

Tuke and Bell is at 43 East cubic metres of mortar per Street, Horsham, Sussex RH12 1HR (0403 4371).

Offices and road work

the engineering and hydrologi- dock basin.

Preston dock site study

CENTRAL Lancashire Develop The Corporation is also ment Corporation has been obtaining advice on possible

Partners are to undertake Site investigation studies will engineering studies, which also be made of the rest of the would be completed by the end land in the dock estate, not of June. Halcrow will examina directly associated with the

cal implications of closing the dock and identify various a total water area of 45 acres redevelopment options and which would need 2m cubic their estimated costs.

surveyors are Kinsler and

TWO CONTRACTS, together worth about £2m have been won by Sir Alfred McAlpine and Son (Northern).

The largest, valued at well the largest, valued at well control worth over £730,000. This will be the west access road at Thornton Cleveleys, Lancashire, under a control worth over £730,000. This will be the west access road at Wilhouse Works from Fibet.

More work in Saudi Arabia

A FURTHER phase of the King Abdul Aziz University sports Complex development in Saudi Arabia is to be undertaken by W. S. Try (International). Try GAS MAINS and service laying recently completed the first

crete stands to accommodate 1.300 spectators in upholstered chairs. The work is to be comstands will be fully carpeted and air-conditioned.

Making it up to date

MODERNISATION work at Queenslie Industrial Estate, llasgow, is to be undertaken by Taylor Woodrow Construction (Scotland) under a contract valued at £224,500 from the Scottish Development Agency. The architects are Boswell, Mitchell and Johnston and quantity surveyors Ian Mackenzie and Parmers. Another Taylor Woodrow

Group member, Myton, has been swarded a £276,000 con-tract for work at Bucklersbury House, London EC4, by Legal and General Assurance. The contract is for the refurbishment and upgrading of

the fourth floor, Cannon Street wing of the building, including complete new air conditioning and electrical installations The air conditioning system has been designed by Longstaff and Shaw and the electrical

installations by F. A. Taylor and

GOATED STEEL galvanised sheer steel in original BSC packing surplus to requirement. STELVETITE G. KG. ROSSER Laminates. mainly 0.6 mm gauge.

> or details of sheet sizes. telaphona **CBS** Composite Building Systems Ltd.,

over £1.2m, covers the building of an office and distribution centre for Lego UK at Ruthin Road, Wrexham, Clwyd. Architects are the Chris Cowen Partnarship and the quantity wall to an embankment, and wall to an embankment, and miscellaneous foundations are also included in the contract.

Co. Structural engineers are Wheeler and Jupp and the quantity surveyors E. C. Harris

£1.3m gas work for

work costing about £1.3m is to phase of the complex costing be carried out by Biggs Wall over £6m on schedule.

The latest phase costing awarded by British Gas.

£1im includes reinforced con. These awards cover a two-

These awards cover a twoyear mains and service laying contract worth film in the Chilterns area, a 200mm diameter pipeline in Bisbops Stortford, (both of these are for Eastern Gas) and the contruction of about 10,000 metres of 200mm diameter steel main valued at £253,000 at Leighton Buzzard

The latter contract, which will be of three months dura-tion, will include five road crossings, one by auger bore.

IN BRIEF

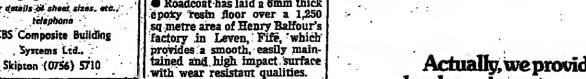
British Airports Authority bas awarded a £870.000 contract to William Tawse for the construction of a parallel taxiway at Dyce Airport, Aberdeen. Planning permission is being

sought for the restoration after a fire of Waring and Gillows' premises on the corner o Albion Place and Lands Lane, Leeds. Owner of the building, Mark Rowlands, has appointed Gillinson Barnett and Partners as architects. • Teddington Industrial Equip-

Middlesex has two contracts

Sunbury - on - Thames,

valued at £1m for the supply and installation of a central con-trol room desk type panel and associated equipment cubiclea. together with a large floor standing instrument panel, for British Nuclear Fuels at its. Capenhurst plant, near Chester. Graham Wood Structural, part of the Amsteel Group, has won a contract for structural steel-work for the extension to Fenwicks store in New Bond Street, London, W1. The value of the contract is £240,000. Roadcoat has laid a 6mm thick





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SECURITY

Not so easy to steal the cash

WHETHER DR not the advent of a time-lock controlled cash dispensing system will reduce the numbers of raids on banks, building societies and other places where large amounts of money have to be handled remains to be seen. But it is that the German-"Timelock" equipcertain designed ment will sharply cut the amounts of money stolen in such

The reason is that the equipment is designed around a series of shuttered compartments each contaioing a predetermined number of notes of, say, four denominations. Under the control of a timer, the shutters are drawn down, releasing the money in the successive protected compartments, at intervals selected by the besd cashier to correspond to the anticipated rate of withdrewals for the day.

Vital delay

It is not possible to override the time setting for the various compartments in the sense that any chaoge to the setting keys by itself imposes an extra delay of six minutes before the new timing itself comes into affect. In a bank bold-up these six minutes would be vital.

The maker does not suggest its equipment is a replacement for bullet-proof glass or antibandit screens, but asserts that it could go some way towards solving the bostage problem.

The equipment is evailebla in a number of versions including one which shows the time to opening for each column of note with a cepacious note safe with its own time lock so that cashlers at a busy desk can place incoming notes in immediate security prior to sorting.

Other activities

The group offering this equipment in Britain, Unilock, is expanding quickly into tha total refurbishing of large premises —which covers the supervision of removal of asbestos-based walling and other materials, the installation of air-conditioning and partitioning and the provision of interior design and conract furnishing, including 'electronic' furniture.

Despite the depressed state of the building industry in general, the trend towards increesing adoption of the reinstatement solution for outmoded business premises in city centres is seen as e good basis for the company's predictions of continued growth, particularly on the strength of the large package deals it is in process of negotiating. Turnover for the current year sbould reach about £4m and Unilock is looking very

hard at export markets. Further details from Unilock Group, 176, Vsuxhall Bridge Rosd, London SWIV 1DX, 01-828 4651. MACHINE TOOLS



bio-medical engineer at the Institute of Laryngology and Otology, London, using a Kaiser micrometer adjusted small boring head accurate to .0002in to machine a mould for a plastics component used in surgery. Many of the moulds used for making very small plastics components are produced

"in house" on this equipment, allowing component design to be kept as nearly as possible in step with operating and post-operative needs. The boring head was a gift by Kalser, Switzerland, through Matchless Machines of Horsham, Sussex, as part of a programme of aid to research establishments and training establishments.

right, and

Frankfurt am Main

High performance reamer

THE PRODUCTION Engineer- ject and has an unusual geo-ing Association reports that it metry of the cutting edges. A has granted licences for the manufacture of its bigh performance reamer to two Sheffield companies: Beever-Strongs and subsidiaries of Brooke Tool surface finish results. Engineering (Holdings).

The tool was developed some is an overall reduction in the time ago during e research process of reamed boles, greatly

1980, 10.00 a.m. in the Kuppelsaal of the Stadthalle Hanover, Theodor-Heuss-

very slight bevel lead angle enables high feed rates to be employed and the negative axial rake or "spiral point." facilitates geometry Marsh Brothers Tools, both clearance so that superior hole

It is also claimed that there

increased rates of penetration, improved tolerances and longer life for the reamer. An interesting aspect of the move by PERA is thet although the patent expired in August 1978, the design was also originally protected by copy-

continues. PERA is at Melton Mowbray, Leicestershire (0664 4133).

this protection

DATA PROCESSING

Flexible time scheme

Manchester Transport are being services. equipped for flexible working time by Borer Data Systems.

The move is of some interest because GMT, like all such transport undertakings, has to provide sufficient vehicles to meet peak demand. By going for flexible time itself, it hopes to encourage other Manchester firms to follow suit, thus reducing the difficult peaks. In the longer term flexible bours Lane, Wokingham, Berks (0734 should lead to more efficient 791137).

SOME 25 sites of Greater utilisation of many kinds of

In the Manchester scheme each employee working fierible hours uses an identification card which doubles as the time registration badge. The card is inserted into a reader and the event recorded on a central controller. The employee will be able to see his attendance record and register periods of planned absence. The cards can be used at any of the 25 sites.

Workshop control systems

DEVELOPED by Kewill Systems under the NCC Soft-ware Products Scheme and financed by the Department of Industry is what is claimed to be the first microprocessor-based production control and workshop scheduling system.

It is likely to be of interest to jobbing and sub-contract machine shops, beavy and bigh precision engineers ,and maintenance or repair shops. Employment levels will be between 30 and 300 either in independent companies or in parts of large concerns. It will be particularly relevant where manufacture is strictly to customers' orders or is in small batches of a wide variety of products.

Entered in to the mechine's memory will be part numbers and manufacturing structures with operation times and so on, the system being implemented in conjunction with e consultant from Kewill.

From screen and printer the system will then provide work in progress reporting and control, mscbine and factory losd-ing, forecasts of job finish dates, overdule reports, and schedules for each machine/ work station to follow.

The system can be used at whatever level of sophistication needed in e particular fac-

tory, from simple work in pro-gress reports to detailed machine loading and scheduling of all kinds of work. Further software is under development that will deal with job costing and material control.

Benefits claimed in the use of the system, which is called Micross, include lower work in progress levels and better fore casts of delivery dates making it possible for managers to stick more closely to delivery pro-mises. It should also result in better utilisation of men and machines and provide superior management information. It is possible for the machine to be used for other purposes including accounting design and so on and an "own program" interpreter and compiler is available.

Hardware consists of a Zilog Z80 processor with 64k bytes of memory, Sbugart dual floppy disc store (one megabyte), a Texas Instruments printer and a 1920 character visual display

The system can cope with 2,000 jobs in progress, 5,000 operations, 100 work centres and 200 days of forward scheduling.

Kewill Systems, 500, Cbesham
House, 150, Regent Street,

Heat loss displayed

INCIPIENT structural and heat loss problems can be shown np by means of e service now

PERKIN-ELMER Computer Systems Division

MANAGEVENT

NFORMATION SYSTEMSFOR

THE 80s

SLOUGH 345M

PERKIN ELMER

SERVICES

offered by DBM Systems, Den-bead St. Mary, Shafesbury, Dorset SP7 9DX (074788 645). Using portable infra-red thermographic and ultrasonic detection equipment, the company claims to be able to detect faults in structural components, buildings of all types, storage tanks, high energy consuming units such as furnaces, kilns and ovens, often before they can becoma major problems.

Heat loss or gain from buildings or containers can be dis-covered and quantified so that poor insulation can be rectified and fuel bills reduced. In a red scanning camaras are use in which the resulting pictures show warm areas of a surface distinctly differentiated from cool ones. Very small temperature differences can be spotted caused by faults which may be invisible to the eye.

• LIGHTING

Fluorescent substitute for bulb

A REUTER report from Amster dam says that Philips Gloeil-ampenfabrieken has started deliveries in continental Europe of a miniature fluorescent lamp which is a direct replacement for the conventional filament bulb.

The 18 watt version of this "SL" lamp is priced at over £7, which compares with ebout 40p for a traditional 75 watt light bulb with the same output. However, the claim is that the new lamps will use one quarter of the energy, last five times as long and in most cases will be interchangeable with old bulbs using existing light fittings.

• ELECTRONICS

Provides a crisp image

AIMED AT original equipment manufecturers who need to produce quality crt images in their systems, the 506B display monitor from Tektronix is able to generate a uniform spot sizeof 0.79 mm and a light output variation of less than 10 per cent in the central quality area. A five incb (125 mm) flet faced rectangular cathode ray tube is used, yielding a display linearity of 1 per cent along the major exes. A metal bezel forms a solid mounting for heavy.

cameras, preventing distortion and light leaks. Physical dimensions of the monitor are 133 x 213 x 519 mm and the weight is 7.9 kg. Power requirements are designed for worldwide use.

More from the company at Beaverton Honse, PO Box 69, Harpenden, Herts (05827 63141).

London W1R 5FA (01-734 5351). **Computer services survey**

IN ITS first financial survey of that new money is often sorely the British computer services industry Jordans provides data on 179 companies, 50 of which are analysed in depth with four years' financial figures.

It is an industry of small companies-50 per cent of them employ fewer than 10 peopleand it bas not, according to survey euthor Joseph Roth enjoyed too much support from traditional sources in the City and elsewbere.

Roth queries the validity of

the conventional institutional approach to investment—mainly through the financial statement. He suggests that the British institutions might well follow their colleagues in the U.S. and Europe and employ computer specialists on their staffs so that they would be better equipped to essess potential from technical as well as financial viewpoints.

Nevertheless, says Roth, The survey costs £80, from growth rates average about 20 Jordans Surveys, Brunswick per cent compound per year so place, London N1 (01-253 3030).

COMPONENTS

Thermoplastic springs

DESCRIBED by its originators to 4mm using both round and as "completely new" is a series oval-shaped tharmoplastic.

Materials used include using plastic meterials to cover a very wide group of industrial appli-

Monospring describes the range—patents are pending on the manufacturing process— which encompasses tension and compression types in single and double belix complete with end-

Materials used include nylon,

polyethersulphone, polyvinylidene fluoride, polyethylene and poly-4-methylpentine. Up to an operating tempera-ture of 80 degrees C, benefits

conferred include abrasion end corrosion resistance, and for several types "sbape memory." Further information from

Round, oval, flat oval and bexagon shapes are evallable in cnii diameters from 1mm to 50mm. Coil size runs from 0.24

Further information from Monolux Monolux House, Trent Valley Works, Trent Valley 28958.

MATERIALS

Moulding release agents

TWO NEW aerosol release egents for use by the plastics and rubber moulding and foundry industries are being marketed by Ardrox, part of the Brent Chemicals Internetional Group.

Ardrox 7300, a silicone free material, is suitable for use when the moulding is to be subject to further processing such as painting, screen printing, or the use of adhesives. Ardrox

ment casting.

The company is located at Furiong Road, Bourne End, Bucks. (Bourne End 24951).

sion moulding, including mouldings with metal inserts, vecuum forming and saud and invest-



Sec.

LOCAL AUTHORITY **BONDS**

Every Saturday the Financial Times publishes a table giving details of

LOCAL AUTHORITY BONDS

on offer to the public

For advertisement details please ring B. Kelaart, 01-248 8000 Extn. 266

Deutsche Bank

(Incorporated in the Federal Republic of Germany with Ilmited liability)

We are convening our Ordinary General Meeting this year on Tuesday, May 13,

Agenda

1. Presentation of the established Statement of Accounts end the Reports of the Board of Managing Directors and the Supervisory Board for the 1979 finan-

Presentation of the Consolidated Statement of Accounts and the Raport of the Group for the 1979 financial year

Resolution on the appropriation of profits

Platz 1-3, Hanover 1.

The Board of Managing Directors and the Supervisory Board propose that the distributable profit of DM 193,883,922 be used to distribute a dividend of DM 9 per old share of DM 50 par value end DM 4.50 par new share of DM 50 par valua (from the capital increase in 1979).

3. Ratification of the acts of management of the Board of Managing Directors for the 1979 financial year The Board of Managing Directors and the Supervisory Board propose that the ects of management be ratified for the 1979 financial year. .

4. Ratification of the acts of management of the Supervisory Board for the 1979 The Board of Managing Directors end the Supervisory Board propose that the acts of management be ratified for the 1979 financial year.

5. Election of the auditor for the 1980 financial year

The Supervisory Board proposes that Treuverkehr AG Wirtschaftsprüfungsgesellschaft - Steuerberatungsgesellschaft, Frankfurt am Main, be appointed auditor for the 1980 financial year.

6. Authorization to issue Bonds with Subscription Rights and Creation of The Board of Managing Directors end the Supervisory Board propose that

the following resolutions be passed: a) Authorization for tha issue of Bondawith Subscription Rights by Deutsche Bank Compagnie Financière Luxembourg S.A., Luxembourg, in the equivalent of up to a total of US\$ 200,000,000. denominated either in US-Dollars or in D-Marks, with a maximum life of 10 years. The

period until April 30, 1985. Pra-emptive rights of shareholders shall be excluded. The authorization may be utilized in partial amounts. The Bonds shall be payable to bearer and shall be issued in naminal amounts of US\$ 1,000 each or DM 1,000 each. Each Bond shall be accompanied by Bearer Warrants entitling the holder, in accordance with the more detailed provisions of the Conditions of Warrants to purchase up to 10 Deutsche Bank shares in the nominal emount of DM 50 each per Dollar Bond and up to 5 Deutsche Bank shares in the nominal amount of

Bonds shall be subject to German law end shall be issued in the

DM 50 each per D-Mark Bond. The subscription price for one Dautsche Bank share in the nominal amount of DM 50 shall be fixed in D-Marks or in US-Dollars without prejudice to Section 9 (1) of the German Stock Corporation Act (Aktiendesatz). If fixed in D-Marks it ahall correspond to the average of official prices (amtliche Einhaitskurse) on tha Frankfurt Stock Exchange for Deutsche Bank shares over the 10 stock exchange days preceding the resolution regarding tha issue of the Bonds; the subscription price calculated in this way shall be rounded up to the nearest D-Mark amount divisible by 5. If fixed in US-Dollera the subscription price shall correspond to the equivalent in US-Dollers of the D-Mark amount mentioned in the first half of the previous sentence, converted at the official mid-rate on the Frankfurt Foreign Currency Exchange on the day of the resolution; the amount calculated in this way shall be rounded up to the nearest

US-Dollar amount divisible by 3. The subscription rights may be exercised from July 1, 1980 (at the earliest, however, one month after the issua of the Bonda) until one month after the life of the Bonds has expired, with the exception of certain periods to

be determined in the Conditions of Warrants. The subscription price shall be reduced in accordance with a dilution protection clause if during the life of the Bonds Deutsche Bank AG either increases its share capital or establishes conversion or subscription

rights, giving pre-emptive rights to its shareholders, end no preemptive right is given to tha holders of the Warrants.

Tha Board of Managing Directors is authorized to stipulate ell further details in agreement with the corporate bodies of Deutsche Bank Compagnie Financière Luxembourg S.A., Luxembourg.

b) The share capital shall be increased conditionally by a further DM 100,000,000 through the issue of 2,000,000 bearer shares in the nominel amount of DM 50 each for the purpose of granting subscription rights in accordance with the Conditions of Warrants to the holders of the '.Varrants from the Bonds with subscription rights in the amount or in the equivalent of up to a total of US\$ 200,000,000 to be issued by Deutsche Bank Compagnie Financière Luxembourg S.A., Luxembourg, by April 30, 1985 in accordance with a). The conditional capital increase shall be effected only in so far as the Bonds are issued and the holders of the Warrants exercise their subscription rights. The new shares shall be enutled to dividends from the beginning of tha financial year in which they come into existence by virtue of the exercise of subscription rights.

c) The following new subpara. 5 shall be inserted into Section 4 of the Articles of Association: The share capital is increased conditionally by e further DM

100,000,000. The conditional capital increase shall be effected only in so far as the holders of the Warrants from the Bonds with Subscription Rights to be issued by Deutsche Bank Compagnie Financièra Luxernbourg S.A., Luxembourg, by April 30, 1985 exercise their subscripion rights. The new shares shall be entitled to dividends from the beginning of the financial year in which they come into existence by virtue of the exercise of the subscription rights."

The present subpare. 5 of Section 4 of the Articles of Association shall become subpara. 6; in it the words "from the US-Dollar Bonds with Subscription Rights mentioned in subpara. 4" shall be replaced with "from the Bonds with Subscription Rights mentioned in subparas. 4 and 5".

Shareholdars entitled to participate in the General Meeting and to exercise their right to vote are those who have deposited their ahares during normal office hours and in the prescribed form at e depositary bank until the end of the General Meeting. Dapositary banks are those apecified in the Bundesanzeiger of the Federal Republic of Germany No. 66 of April 3, 1980. Depositary banks in the United Kingdom are:

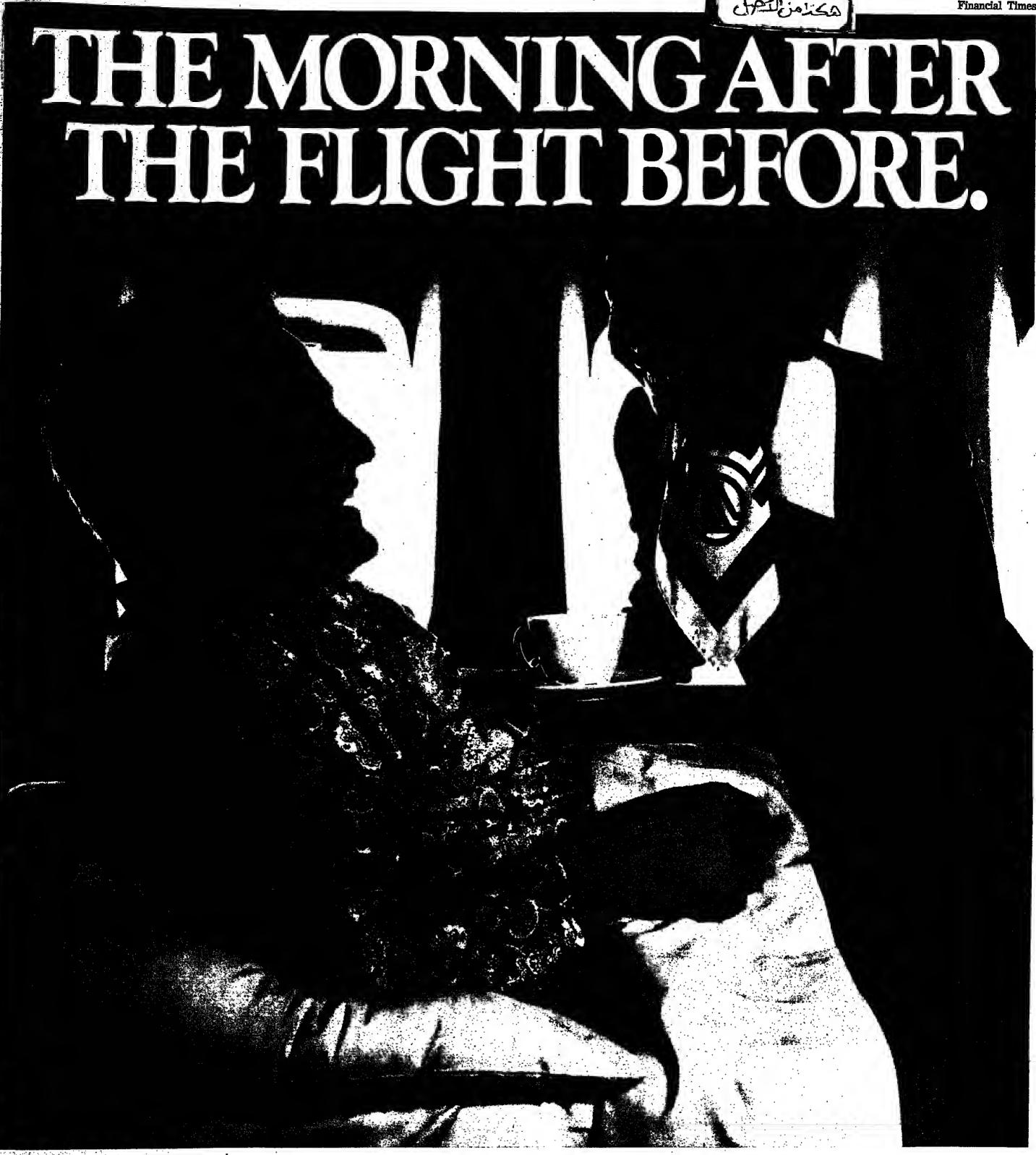
Deutscha Bank AG, London Branch, 10, Moorgate, London EC2P 2AT. Midland Bank Limited. International Division, Securities Department, Suffolk House, Laurence Pountney Hill, London, EC 4.

Shares shalf only be deemed deposited if they are lodged by May 6, 1980, at the latest, with aither of the aforementioned depositary banks or with any other authorized depositaries in the United Kingdom. In the United Kingdom entrance cards or forms of proxy will be issued by the aforementioned offices of Deutsche Bank AG or Midland Bank Ltd. to whom application should be made. With regard to the exercisa of the voting rights we wish to draw your attention to § 18 (1) of our Articles of Association:

The voting right of each share corresponds to its nominal amount. If a shareholder owns shares in a total nominal amount exceeding 5% of the share capital, his voting rights are restricted to the number of votes carried by shares with a total nominal amount of 5% of the share capital. Shares held for account of a shareholder by a third person shall be added to the shares owned by such shareholder. If an enterprise is a shareholder, the shares owned by it shall include any shares which are held by another enterprise controlling, controlled by or affiliated within a group with such enterprise, or which are held by a third

person for account of such enterprises." 5% of the share capital mentioned in § 18 (1) at present corresponds to a nominal amount of DM 55,706,645 = 1,114,132 shares of DM 50 par value.

Frankfurt em Main, April 1980 The Board of Managing Directors



Anyone who has spent around 20 hours in an aeroplane will know the feeling. It's rather like waking up with a double hangover.

POPMARON

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SERVICES

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And you leave the plane both looking and feeling like you haven't slept for a week. Which is no way to embark on any visit, be it business or pleasure.

Happily though, since April 2, you can fly to the Orient and still feel fit to greet the rising sun.

Because that's when we began our new twice weekly 747 service from London Gatwick to Bangkok and Manila.

Our new 747s are the only aircraft to offer first class passengers comfortable beds that are officially certified for occupancy during take off and landing.

Which means you don't have to get up in the middle of the night when we refuel at Bahrain or discharge passengers at Bangkok.

Instead, you sleep undisturbed until it's time for early morning tea. The otherwise weary traveller will also be heartened to hear that our food is every bit as refreshing as our accommodation.

We serve "La Nouvelle Cuisine" in all classes and it has been judged by Plaisir Gastronome, the Swiss gourmet society, to be the finest Airline food in

the world. And finally, when you arrive in Manila, refreshed and raring to go, our extensive network can whisk you direct to all the great commercial centres of the East and Australasia.

So now there's a way to the East that you needn't lose sleep over. After all, the last thing we want to do is make you feel like you need a day to recover.

Philippine Airlines

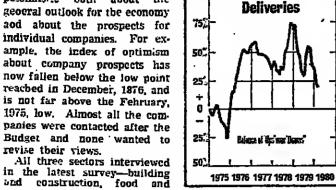
Twice a week to Manila. And all points East.

C Statistical Meterial Copyright Taylor Nelson Group Ltd.

GENERAL OUTLOOK

Pessimism undimmed by Budget

pessimistic both about the geogral outlook for the economy aod about the prospects for individual companies. For example, the index of optimism about company prospects has now fallen below the low point reached in December, 1876, and is not far above the Fehruary, 1975, low. Almost all the companies were contacted after the Budget and none wanted to revise their views.



tobacco, and textile and clothing-are heavily iocuned to be less optimistic about the economy. The Budget has made little difference and, if anything, it has left industry slightly more pessimistic.

There has been a further decline in expectations about export prospects over the next 12 months and all the indices here are at new low points. All three sectors continued to mention the strength of the pound as a major factor affecting

GENERAL BUSINESS SITUATION

·	4 P2	onthly it	HOAILLÉ S	Page Car 1749			
Are you mare or less optimistic about your company's prospects than you were four months ago: More optimistic Neutral Less optimistic	Dec Mar. %	Nov Feb. %	Oct Jan.	Sept Dec. %	& Bidg.	Tobacco %	Textiles & Clothing
More optimistic	. 18	24	24	22	23	24	<u> 34 .</u>
Neutraf	34	36	37	38	· 39	. 31	3\$
Less optimistic	48	40	39	40	.38	45	31

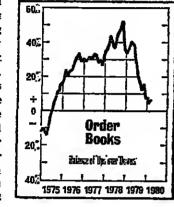
EXPORT PROSPECTS (Weighted by exports)

	4 m	onthly m	oving a	verage	· · · · ·	March 19	80
Over the next 12 months experts will be:	Dec Mar. %	Nov Feb.	Oct Jan. %	Sept. Dec. %	Costreto. & Bldg.	Food & Tobacco	Textiles & Clothing %
Higher	47	48	52	59	38	34	56
Same	29	30	29	29	32	13	24
Lower	22	22	78	11	- 30	13	20
Don't knew	2	1	1	1		. 40	

ORDERS AND OUTPUT

Weakening of demand

THE WEAKENING of demand reported since last summer has halted for the time being though it is too early to say whether this is a freak result or a temporary phenomenon. This applies to the indicators both for new orders and for the level of order books. There bas, however, been a small further decline in the indicator of deliveries over the last four months. In particular, both the building and construction and the textile and clothing



sectors were less inclined to report increased deliveries than they bad been last November.

The food and tobacco sector was rather more inclined than it had been last November to expect to increase sales over the next 12 months. Consequently, even though the other two sectors expected smaller rises than they had done last November, this index bas moved slightly upwardsthough the movement regarded as insignificant

NEW ORDERS

	4 m	onthly n	oving a	verage	March 1980			
The trend of new orders in the last 4 months was:	Dec- Mar. %	Nov Feb. %	Oct jan. %_				Textiles & Clothing %	
Up	35	31 .	34	36	19	29	25	
Same	19	21	18	18	62	`	39 ·	
Down	15	13	. 7	31	11	7-	34	
No answer	31	35	41	35	8	. 64	·2	

PRODUCTION/SALES TURNOVER

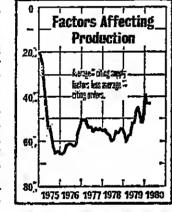
	4 m	ionuny n	IDMUR S.	AGISSE	1420 CIT 1700		
Those expecting production/sales turn- over le the next 12 months to:	Dec- Mar. %	Nov Feb. %	Oct Jan. %				Textiles & Clothing
Rise over 20%	6	5	3	. 3	8		
Rise 15-19%	5	5	3	5	_		
Rise 10-14%	14	16	72	15	27	·	<u> </u>
Rise 5-9%	20	16	17	20	11	53	40
About the same	46	48 ~	- 46	. 51	54	45	60
Fall 5-9%	_	7	1	1	·		_
Fall over 10%	7	<u></u>		· <u> </u>		-2	- : :
No comment	8	9	8	.2			

CAPACITY AND STOCKS

Production held back

THERE IS increasing evidence that industry's stock levels are too high in relation to current sales. This was reported particularly by the textile and clothing sector. The index for expected stock levels over the next 12 months bas continued to decline.

The impact of falling demand is also shown in the detailed answers to the question on factors currently affecting production. All the companies interviewed in the building and constructioo sector said that output was effected by a shortage



of UK demand whereas in November only about two-thirds gave this reply. There was an increase in mentions of sbortages of raw materials and of labour disputes in supplier companies. In the food and tobacco sector this was chiefly due to some companies finding supplies of cans restricted as a result of the steel strike.

other so that there was no change in the iodex of the exteot to which output or sales are affected by demand rather than by supply sboriages.

CAPACITY WORKING

ALB MAIST IN ATTENTA							
	4 17	oving a	verage	March 1980			
	Dec Mar. %	Nov Feb. %	Oct Jan. %				Textiles & Clothing %
Above target capacity	9	14	14	12	19		5
Planned output	63	54	51	50	58	98	26
Below target capacity	26	30	33	36	23	2	69

STOCKS

	4 m	onthly n	oving a	verage	- 1	March 19	80
Raw materials and components over the next 12 months will:	Dec Mar. %	Nov Feb. %	Oct- Jan. %	Sept- Dec. %			Textiles & Clothing %
Increase	22	21	25	. 28.	.8	· 21	40
Stay about the same	35	39	. 39	- 43	73	27 .	56
Decrease	31	25	24	20	17	52	4
No comment Maeufactured goods over the next 12	12	15	· 12	9	8		-
months will;							
Increase	18	24	. 26	.26	8	2	20
Stay about the same	36	36	33	38	66	27	· 54
Decrease	22	15	14	13	8	50	10
No comment	24	25	· 27	23	18	21	16

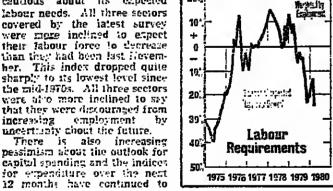
These two effects offset each FACTORS CURRENTLY AFFECTING PRODUCTION

	- τ μι	Chicilly w	HOTHING A	ACIASE	Parch 1780			
	Dec Mar. %	Nov Feb.	Oct lan. %	Sept- Dec. %	Costreto, & Bldg, %	Food & Tobacco	Textiles & Clothing %	
· Home orders	73	69	64	68	100	71	90	
Export orders	43	43	41	52	77	.7	79	
Executive staff	11.	9	12 ·	. 7		24	20	
Skilled factory staff	27	25	26	· 25	. 27	24	.15	
Manual labour	5	. 8	6	. 4	-			
Components	17	15	14	17	4			
Raw materials	17	9	11	13	19	. 45	2	
Production capacity (plant)	12	11.	7	8	<u></u>	26		
Finance	. 2	. 2	2	2	8	-	. 2	
Others	12	10	- 6	7	<u> </u>	21	25	
Labour disputes	35	31	30	- 33	75	48		
No answer/no factor		7	2	. 7				

INVESTMENT AND LABOUR

Caution about employment

INDUSTRY HAJ become more cautious about its expected labour needs. All three sectors covered by the latest survey were more inclined to expect their labour force to decrease than they had been last Hevemher. This index dropped quite sharply to its lowest level since the mid-1970s. All three sectors were also more inclined to say that they were discouraged from increasing employment uncertually about the future. There is also increasing



fall. Moreover all three sectors covered were less inclined to say liquidity levels were too bigh, the food and tobacco and the textile and clothing sectors were more inclined to say that they were too low. Consequently the liquidity index has fallen

quite sharply.

The special question on exchange controls again shows that last October's abolition has had no effect for most companies (roughly three-quarters of ibose replying). This is partly because they had always been able to obtain finance though some said that abolition

made life simpler.

LABOUR REQUIREMENTS (Weighted by employment)

	<u> 4 m</u>	ioneria u	HOATUR S.	verage	March 1980				
There expecting their labour force over the next 12 months to:	Dec Mar.	Nov Feb.	Octa- Jan. %	Sept Dec.	Cnstretn. & Bidg. %	Food & Tobacco	Textiles & Clothing		
Increase	16	22	23	15	2				
Stay about the same	37	38	36	47	.73	. 26	29		
Decrease	41	35	- 39	36	25 .	46	71		
. No comment	6	5	2	2		28			
the same of the sa									

CAPITAL INVESTMENT

COSTS

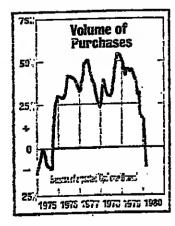
(Weighted by capital expenditure)

						WUCEF 17	ou.
Those expecting capital expenditure over the next 12 months to: Increase in volume	Dec Mar.	Nov Feb.	Oct Jan. %	Sept- Dec.	Constrcto.	Food & Tobacco %	Textiles & Clothing
Increase in value	· 23	26	34	38	28	45	12
but not in volume	15	16	9	17	16	13 .	4
Stay about the same	12	17	15	17	8	28	
Dccrease	33	26	23	20	41	14	84
No comment	12	15	19	14	7		

COST AND PROFIT MARGINS

Inflationary pressures

continuing to increase. Both 15.1 per cent for unit costs. of all public companies, the building and construction Only 17 per cent of comes are the textile and clothing panies expected wage rises of four-monthly moving totals sectors expected higher in-



indicators of thes median projected rise over the next year every month. They are drawn Complete have moved up in the last from a sample based upon the chased from month from 17.3 to 17.5 per FT-Actuaries' Index, which Associates.

less than 15 per cent over the period. This is in apparent contrast with the Confederation of British Industry's data bank which shows that 52 per cent of all pay rises in manufacturing

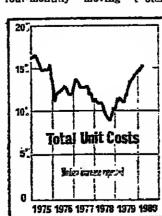
since last August have been for

less than 15 per cent.
However, the food and tobacco rector expected smaller increases in prices than it had dane last November. This more than offset greater pessimism about prices to the building and construction sector. Consequently, the median expected rise over the next 12 months has fallen from 14.8 to 14.3 per cent.

Three surveys, which are carried out for the Finzonial Times by the Taylor Nelsoo creases in wages and uoit easts interviews with top executives, than last November. The Three sectors and some 30

Group, are based upon extensive companies are covered in turn every month. They are drawn from a sample based upon the

INFLATIONARY pressures are cent for wages and from 14.8 to accounts for about 60 per cent



covering some 120 companies in il industrial sections (mechanical engineering is surveyed every second months.

Complete tobles can be purchased from Taxior Nelson and

	_						80
Wages rise by :	Dec Mar. %	Nov Feb. %	Oct. Jan. %	Sept Dec.	Costreto.	Food & Tobacco	Textiles & Clothing
10-14%	17	18	15	18	8	4.	. 5 .
15-19%	56	46	37	37	65	74	89
20-24%	16	· 14	11	10	27	22	6
25-29%	_		1				
Same			1.	1			<u> </u>
No answer	11	22	35	33		. —	
Unit cour rise by : 0-4%	5	ī	2	1		21	
5-9%	3	3	5	• 4	-	•	20
10-14%	31	35	33	41	39		34
15-19%	31	29	29	28	19	55	46
20-24%	9	7	8	6	27		
Decrease				.2			
No answer	21	25	23	18	15	24	-

PROFITS MARSINS

	4 m	4 monthly moving average		March 1980			
Those expecting profit margins over the next 12 months to:	Dec- Mar. %	Nov Feb. %	Oct- jan. %	Sept Dec. %	Costreto & Bldg.	Food & Tebacco	Textiles Ciothing
Improve	36	32	31	24	16	91	40
Remain the same	34	40	40	41	47	4	. 32
Contract	26	25	25	29	30	5	28 ::
No comment	4.	,			- 7		

Why bed tax on car insurers is difficult

BY OUR ENSURANCE CORRESPONDENT

ON MONDAY, when the Commons was still debating the Budget. Mr. Patrick Jenkin, the Social Services Secretary, said that the Government was looking for additional, sources of income for the Department of Health and Social Security, and that these included the possibility of "recovering a greater proportion of the cost of traffic accidents" from motorists and

their insurers.

as a matter of principle is still insurers' firmly beid opinion. However, firmly beld opinions do not deter Governments, as insurers found out during the 1976-77 winter, but practical operational difficulties do.

And the Labour Government's civil servants, with all the ingeouty at their disposal could not devise any schema that stood a ghost of a chance of working at all, let alone effi-

The mechanics of collection. the mechanics of collection.

the machinery of accounting, THE Government is to buy four were the rocks on which the anti-politation oil recovery Ennals proposals foundered devices, Mr. Norman Tebbit. Under-Secretary for Trade, said in the three years that have in a Commons written reply.

elapsed anyone will have come They comprised three spring-un with an idea that was not secretary and one Force 7. up with an idea that was not explored under the immense pressure then applied by the Minister and his Departmental

Insurers fought three years ago on the issue of simplicity simplicity within existing premium-collection and accounting systems. Even with such simplicity, substantial changes would have been required for computer and administrative systems; and without such simplicity insurance minds boggled.

Moreover no such changes could be made without substantial cost, and insurers made it zones to revive city areas, clear that the DHSS should foot announced in the Budget the bill, not they or their policy holders. When the Ennals proposals

that sum was £40m expressed in successful."

accidents from motorists and quicker and simpler means of getting the money than by sur-charging insurance premiums in Insurers. Insurers, and the motoring charging insurance premiums in public, must hope that the Government Departments concerned remember the long discussions in late 1976 and early increased. Both these possibilities were canvassed in 1976 77, when the Labour Government of the Web rejected by the Government of the Web rejected by the

ment, and particularly Mr. and both rejected by the Government, and particularly Mr. and both rejected by the Government, a similar notion.

At that time insurers, if valid then remain valid now, brokers, motoring organisations all, took the view that since motorists were taxpayers, it was inquitous to charge motoring. motorists were taxpayers, it was induiries into the tax rather iniquitous to charge motoring than the insurance possibility? iniquitous to charge motoring taxpayers twice for the use of the State's health service. This a good rest over the Easter as a matter of principle is still weekend, followed by a careful review of the undoubtedly well-documented discussions of 1976-77, will bring Ministerial realisation of the immense prac-tical difficulties in attempting to

implement this possibility. Otherwise, preparations must And the Labour Government's proposals to make motor be made to fight over old battle insurers tax-collectors for the DHSS foundered because the this stage, looks like being a civil servants, with all the ingeouity at their disposal,

New devices to fight oil slicks

sweep systems and one Force 7 ocean system.

Initial trials had shown that both systems had potential for the effective recovery of oil PM confident

on new city zones THE Prime Minister has predicted a "flood of applications" for the new enterprise

Commons. "We will press ahead were under discussion, the as fast as we can and I am sure DHSS aimed to collect £40m, but the experiment will be

COMPANY NOTICES

RENOWN INCORPORATED NOTICE TO E.D.R. MOLDERS
PAYMENT OF COUPON NO. 5
to notify E.D.R. Index that of
Ordinary General Meeting of Shareers letd on Friday, March 28th, 1980
appropriation of retained earning
approved as proposed, thus setting
shareholder dividend for the 35th

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PUBLIC NOTICES

OIVIDEND has been DECLARED

NOTICE IS HEREBY GIVEN that I. The Trumber Books and Regist Ordinary Stock will be closed on April 1980. By Order of the Board! W. D. HOWE, Seo

KENT, ERS 4TU.

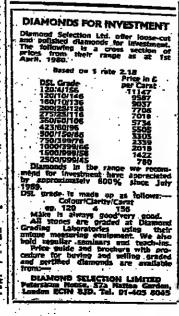
LEGAL NOTICES

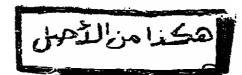
ABE COMPANIES ACTS 1948 TO 1967
EDWARD CLOTHIERS (HACKNEY)

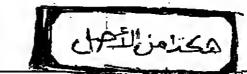
NOTICE IS HEREEY GIVEN that the Creditors of the above-named Company are required on or before the 8th day of May 1980, to send their names and addresses sed the personiers of their debts or claims, and the names end addresses of their Solicitors if eny, to Kaiti O.wid Goodman, FCA, of 3/4 Bentinck Street, Londoe WIA 3BA, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidetor, are by their Solicitors, or personally, to come in and prove their said debts or claims at each time and place as shall be specified in such cottee, or in default thereof they will be excluded from the benefit of any distribution made before each debts are proved.

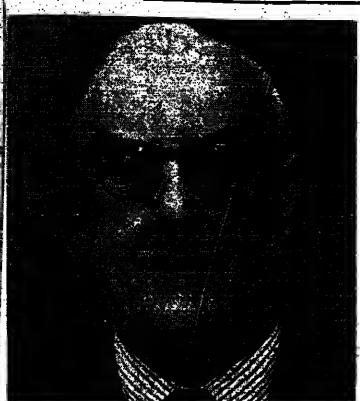
Ilsted this 27th day of March 1980.

K. O. GOIDMAN, Liquidator.









C. H. Broughton Pipkin (above) and Sir Raymond Permock



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COMPANY OF

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egal notice

C. H. Boughton Pipkin, who recired chairman last week after with BICC, has transition in the Sceeped in cables ather was general manage of the Erith works in the d Callender's Cables comparable he saw more the ed to retrench UK cable this capacity in line with laced domestic de-He also saw the need to winthen the central espelly on the financial side appointed a young Mich Julien, who has introdirector from outside, tighter, financial cona more sonlisticated appendi to cash management in profit improvement. Berhim Pipkin has sought in the operating coma greater consciousness the importance of cash as to reported profit of education which he his successor will conthe and intensify. He has

ring side of the business ich he felt was in danger slipping. recause he was 63 when he office has inevitably been ething of an interregnum, it he has cleared away a wher of obstacles in BICC's He saw through the quidation of Tersons, the ilding subsidiary, the withrawat of BICC from Angleey Atuminium, the sale of he minority shareholding in

American Company

This is done through an exclusive contract arranged between the Financial Times Business Information Service and Disclosure Inc. of Wash-

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A wall-chart has been produced showing, at a

Exchange Commission (SEC).

Information

a potentially awkward Monopolies Commission investigation which gave BICC a clean hill of health. 'Broughton has taken a lot of flabbiness out of the balance sheet." a colleague remarks, " and be has cleared the decks for Ray

He has brought ynunger men on to the Board, with the result that the average age of the directors is seven or eight years less than it was when he took over as chairman. Julien is 42 and the managing directors of Cables, Industrial Products and Balfour Beatty are in their early or mid-50s.

But the choice of successor

to the top job was a problem and an outsider was always a possibility. The most nhvious internal candidate was Denis Reoney, now 60, who had masterminded the growth of Balfour Beatty, but virtually all his experience had been on the contracting side of the business. In mid-1978 Braughton Pipkin appointed as executive vice chairmen Rooney and "Oscar" De Ville, who had inited BICC from Fird in the mid-60s to take charge of industrial relations; his main experience was "staff" rather than "line." Rooney was made chairman of Balfour Beatty and International, while De Ville was given responsibility for Cables and Industrial Products.

In the end the chairman and the non-executive directors decided that an outsider, if they could find the right man, would have the advan-tage of bringing a tresh mind to the management of the group. After many names had been sifted Sir Ray Pennock came out as first choice and he was approached.

For Sir Ray, who would have had to retire from ICI at the age of 62-he is now opportunity of taking command of a large group which had not yet fulfilled its potential as a major UK-basedinternational company. Having participated in the transformating of ICI from an "imperial" into a genuinely international company, and having seen the ups and downs of ICE's attempts at diversification. Sir Ray is well placed to provide the broader perspective and strategie direction which General Cable of the U.S. and ... BICC needs.

- for the

first time

direct from

a source in

the UK

BICC switches back to the core Geoffrey Owen re-examines Britain's largest cablemaker and finds it reviewing its diversification policy

Balfour Beatty

LAST WEEK Sir Ray Pennock ternational (subsidiary commoved bis office from Millbank, panies in Australia, Canada,

overlooking the Thames, to Blomsbury Street. He was leav-a company b ehad served for 33 years, to become executive chairman of BICC, the electrical engineering and contracting group.

In the five years during which he can expect to remain at the helm, Sir Ray bas to solve two long-standing problems. One is to give a clear strategic direction to a group which has been trying to come to terms with the fact that much of its tradi-tional UK cable business, especially power cables, stopped growing in the mid-sixties. The other is to ensuret hat there are suitable internal candidates for the succession in five years' time. Sir Ray was the first outsider to be brought in at the top since BICC was formed by the merger between British Insulated Cahles and Callender's Cable and Construction in

Shareholders may regard these longer-term questions as less pressing than the need for higher profits. Although 1979 pre-tax profits show a 16 per cent improvement in historic cost terms, the inflation adjusted performance still shows a meagre 4.4 per cent return on assets. It is certainly true that Sir Ray's most urgent task is to improve profitability. But there is a connection between shortterm profit improvement and long-term strategy.

view inside the company that the UK cables business, in which BICC is the market leader, should be capable of generating cash to support diversification into industries which offered better growth prospects. The diversification would be carried out through which was already a substantial

South Africa and elsewhere)were capable of growing at a healthy rate without too much interference or financial support from the centre.

Since then there has been something of a reappraisal-to which Sir Ray Pennock, who joined the board in October. 1979, has contributed-about what BICC's strengths really are and what role should be played by the cables business.

The great danger about regardleg e business solely as a becomes its primary objective; necessary investments in re-search and engineering are

The BICC board now recognises that cables should more peoperly be regarded as the core or heartland of the group; unless its efficiency and competitiveness are continuously improved, the rest of the group

The reappraisal has given a new impetus to moves that were already under way in improve profitability in cables. Capacity bas bene brought into line with demand by closing six factories over the past five years.

Closures

Whila there is scope for further reductions in fixed costs, BICC Cahles, under managing director Bill Shankland, is in much hetter shape than it was five years ago. In 1979 operating profits improved from Two years agn, when BICC £11.9m to £17.9m and this is was last examined on this page agen as an important step to-(April 11, 1978), there was a wards achieving a satisfactory return-margins are still only 4.5 per cent on sales.

If improving the perofrmance of cables was solely a matter of factory closudes, it would be hard to avoid the impression within the company that BICC Cables is a depressed area, which bright and ambitious people should avoid. Of equal importance, therefore, has been if somewhat heterogeneous a recent series of moves to group of non-cable companies. strengthen the organization and Meanwhlla the group's other two management and to tap existing

BICC Cables **BICC Industrial Products** &ICC International ment of a new finance director real terms. BICC International, from Ford, 35-year-old John led by Harnld Jefferies, depends Martyn, to assist Shankland. for half its profits on the Aus-The injection of some outside talent helps to generate a sense 63 per cent stake.

WHERE BICC EARNS ITS PROFITS

business to be in. BICC is after all the world's largest exporter of cables. Its products are used in Boeing airliners, North Sea platforms and Chinese power stations. It knows the husiness backwards. with commarcial and manufacturing strengths which many companies would envy. While there will never be much money to be made at the "commodity" end of the market, a good deal of the business involves higher quality and higher technology where BICC should be able to stay ahead; it is not an industry vulnerable

of momeutum and an awareness

that, even though UK demand

may be static, cables is a good

The fact that the UK is the source of engineering support for the overseas companies where demand for cable is growing faster than in the UK is another reason why investment in research and development is essential.

to large-scale import competi-

Moreover, there are technical changes in BICC's traditional businesses, notably the introduction of optical fibre in tele-communications; BICC is cooperating with Coroing of the the leading world producer of optical fibre.

There are, in short, plenty of opportunities in cables; exploiting them requires management and engineering talent of the highest calibre. Meanwhile, two of BICC's

other three legs are doing well. Balfour Beatty (see this page) legs—Balfour Beatty, the contalent within the group, is confident that it can con-Pipkin, the retiring chairman, tracting company, and BICC In-Another example is the appoint-tinue to increase its profits in John Banks, director in charge

tralian subsidiary, Metal Manu-

This company, which has plastics and other maoufacturing interests besides its dominant position in cables, is well placed to take advantage of the rapid growth of investment in Australia's natural resources. The fact that David Stewart, managing director of Metal Manufactures, has recently joined the BICC Board is an indication of the importance attached in the Australian

Similar apportunities are available in BICC's 54 per cent owned Canadian subsidiary, Phillips Cables, which has Phillips nesses of Northern Telecom and ITT in Canada.

One might ask why, if Cables, International and Balfour Beatty are all capable of substantially increasing profits, further diversification is necessary. Is there not a danger that Industrial Products, whether it continues to expand in small, cautious steps or goes for a large takeover, will distract management from its main tasks and even, if a major acquisition goes hadly wrong, endanger the whole group?

Most of the directors still feel that it would be wrong to rely too heavily on cables as a source profits growth, whether in the UK or internationally. The task is to work out a coherent strategy based on a clear understanding of what sort of com-pany BICC is and wants to he. "We are an electrical engineer-

ing company," says Broughton Pipkin, the retiring chairman

of research and engineering, points out that BICC has traditionally been a supplier of components to the "energy-depensector of electrical engineering.

Now the halance in electrical engineering is shifting towards U.S. company-BICC's 20 per " communications-depeodent" side and BICC must shift with it. That means, aonong other things, a greater involvement in electronics. BICC bas never been at the

leading edge of technology; it factures, in which BICC has a has no thought of competing against IBM or Texas Instru-But it has a deep knowledge of the electrical industry. It knows about continuous manufacturing processes and how to control them, about materials (plastics as well as metals) and bout producing components which last a very long time. In his approach to acquisitions Ian Hinton, managing director of Industrial Products, has been looking for activities which are nnt too far from the things BICC knows about, but bave a somewhat higher technological content and good growth prospects.
An example is what is now called the Mining Equipment recently acquired the power and Group, supplying telemetry and construction products husi- other devices for the remote control of underground mining.

Drastic

BICC did recently consider a sizeable U.S. acquisition in elec-tronics, but decided against it partly because, in this particular field, it did not have the necessary specialist management

Although there is still a hankering in some quarters for big take-over, the approach which is emerging is to put greater priority on making the old Commonwealth countries, best of what Industrial Products the combination of overseas already bas. As with Cables, this will involve some strength-ening of the organisation and contracting activities gives BICC management around lan Hinton and a determined effort to raise the profitability of the eight product groups for which he is

What has become totally clear is that BICC has no need to imitate its former American associate, General Cable, in making a drastic change of direction away from cables. The cent stake was sold in 1978-has got out of power cables, renamed itself GK Technologies, acquired a manufacturer of electronic components and is now looking for another hightechnology company with sales of over \$200m. So far the strategy is working, but the risks are high and for B1' diversification does not have anything like the same priority,

at least for the next few years. This is not to say that takeovers will not be made, especially if they complement an existing activity. The U.S. continues to be attractive if the right business becomes available. Ideally, it will be privately owned, with good management, making electrical or electronic components not be a "turnround situation."

With the arrival of Sir Ray Pennock some of the impatience for making a really large acquisition may tend to fade away. His influence, stemming from his ICI experience, will be in the direction of making the maximum use of BICC's existing assets rather than venturing into activities where the management has no expertise. The dominant position in cables is itself a valuable asset, particularly in view of the growth in energy-related investments around the world. So, too, is BICC's international network.

Although the manufacturing subsidiaries are mostly in the a worldwide presence which Sir Ray intends to build upon. The embpasis will be on understanding the things which BICC is good at, and doing them better.

'Nimble feet' at Balfour Beatty

entrepreneurs," says Denis Rooney, chairman of Balfour "You have to be light on your feet, quick to see an epportunity, then put all your effort behind it. General management has to be very close to the workface." It is a view shared by Don Holiand, who succeeded Rooney as managing director when Rooney became vice-chairman of BICC in

It is this nimbleness which has enabled Balfnur Beatty to change the balance of its contracting business in the 11 years since it was acquired by BICC - from power generation and transmission to other forms of civil engineering and construction, from the UK to a stronger international presence.

1978.

In a sense this points the way for BICC as a whole, since Balfour Beatty has built on its existing strengths and for the most part has grown organically rather than by acquisition. But it is, nf course, far easier for a contractor to change direction quickly than for a manufac-turer, with its heavy commit-

ment to fixed assets. When Rnoney became managing director of Balfour Beatty in 1973 he divided the group into four operating emmpanies - Balfnur Beatty Construction (civil engineering for power stations, tunnels, harhnurs, reads, bridges and other hig projects), Bal-four Beatty Power Construction (specialist construction such as overhead transmission lines and electric traction). Balfour Kilpatrick (electrical and mechanical services) and Balfour Beatty Engineering



Denis Rooney: "Contracting is a business for entrepreneurs"

tha top league of civil engin-

(engineer constructors, project management and

sulting engineers). and Stevin Construction of Turnover of the group. amounting to £328m last year. Holland. It was by far the biggest contract Balfour Beatty had undertaken and is split roughly 50-50 between bome an doverseas, compared with 75-25 in favour of the the work has gone according to schedule. It is now preparing to bid on the eyen UK ten years ago. Rooney and Holland are reasonably higger Bahrein causeway prohappy with the present halance. Overseas Balfour ject, this time in association with Taiwanese and Japanese Beatty has been moving into contractors.

On the engineering side Balfour Beatty has recently taken steps to extend its interests in the oli and process industries, through a partnership with Litwin of the U.S. The intention here is not to attack the U.S. market, but to use Litwin's expertise and reputation with the oil and chemical companies to develop a process contracting business in other parts of the world. Balfour Beatty also intends to go further in project management, taking on complete responsibility for power stations and other major installations. Balfour Beatty's ability to

generate cash has been valuable to BICC in the last years, but a contractor also benefits from heing part of a large group. The asset backing is important, especially in large projects where performance honds have to be lodged. There is scope for complementing Beatty's down - to - earth engineering skills with imag-inative financial packages. Whether the prize is a hotel project in the Gambia or a dro-electric scheme in the Philippines, the availability of finance nn suitable terms is as important as the ability to handle the contract efficiently.

Denis Rooney must take most of the credit fur steer-ing Balfonr Beatty out of disastrous contracts which came to light after BICC had acquired the business in 1969. His tough approach to management, with responsibility pushed down the line and tight budgetary control, is very much

in evidence.

He thinks Balfour Beatty should contribute around 25 per cent of BICC's profits but probably not much more; contracting is risky and by the law of averages some orders are bound to go wrong. But if the UK manufacturing companies could emulate Balfour Beatty's profits growth, Sir Ray Pennock would have little to worry about.

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7) SLITTING. LINE 920 mm x 10 ton coil by Cam. 8) SLITTING LINE 300 mm.

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Oratorial guide for the tongue-tied

eering contractors.

A big fillip to its credibility

was the award of the £200m

Jebel Ali Harbour project in

Dubal, where Balfour Beatty bas a joint venture with Dubal Transport Company

through a dull and dreary speech-and who hasn't?-will be all too uncomfortably aware of the deficiencies of many

The other side of the coin is that many pople who have been asked to speak-however well they know their subject-will

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ANYBODY who has had to sit be filled with abject terror at magic secret of public speaking will be able to get home. the prospect.

the Institute of Personnel Management has just published a slim but useful little tome by Winifred Marks called "How to give a speech." A- natural orator would find little assistance in this book. but how many of us are natural orators? Standing in front of

an audience evokes in us feelings more appropriate to an early Christian agint facing a hostile moh on Chesil Bank, which is how Ms Marks graphically describes It.

nothing like having to eat a

which will turn the quaking To help them in their task of stammerer into a confident, addressing the world more mellifluous and fascinating new ask before accepting? Simpler interestingly and entertainingly being. Ms Marks provides a but equally useful information careful, simple guide to all the is also provided on researching right things to do and all the and structuring material for a pitfalls to avoid. Most of it is talk. common sense the one thing which seems to desert so many devoted to how the speaker people when they get up on should try and hold the interest their hind legs.

To begin with, she cautions against even agreeing to give a good pronunciation to help win speech until you have all the over the audience—and above hasic information you need to know: such as who you will have to talk to: how knowledgeable the andience will be on the subject; whether the speech She warns that nervousness will be formal or informal; makes speech-makers defensive. exactly what they want you to This depresses their spontaneity talk shout; for how long, when and emotion, making them con- and where the event will be; centrate on reason and logic what the place is like; what Our language becomes im- sort of equipment there is avail-

Simple stuff, you may say, but would you have remembered to A large part of the book is

of the andience. The author emphasises the need for humour, clarity, simplicity and all win frience.

The book's own simplicity makes it a particularly useful and reassuring one for the inexperienced speaker. Indeed, the more experienced may benefit from checking their own faults against it.

How to Give a Speech, by Winifred Morks is published by personal and cold, our able for visual aids; whether the Institute of Personnel demeanour stiff and unapproachable."

able for visual aids; whether the Institute of Personnel there is a meal involved (there's Management, Central House, nothing like having to eat a Upper Woburn Place; London Upper Woburn Place, London There is, of course, no one second dinner); and how you WC1. 128pp, £1.95 (softback).



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High cost of Peter Walker

BY SAMUEL BRITTAN

the most personally engaging of the Conservative intervention-During the time that he was erecting a large part of the present structure of industrial props and subsidies, as Secretary of State for Indostry under Mr. Heath, he was always prepared to listen to bis critics perfectly amicably. Indeed he even wanted me to be his chief which was vetoed from on high. But if someone is doing

damage to the country, one should not allow personal concriticisms. Mr. Walker is a natural corporatist; he sees economic policy in terms of government belp to producer groups, which he sometimes rationalises in terms of helping the balance of payments, as be has just done on his price infor Britisb farmers under the green currency mechanism — oblivious of the fact that we bave a floating pound, and that if there is any policy concern at all It is over the pound's strength rather than

Presumably Mr. Walker, given bis well-known views, was put into Agriculture either because of the helief that it was not a major economic department or because farming was one of the many exceptions to the Thatcherite belief io market forces. Both are dangerous

Mr. Walker has arranged for 2.1 per cent MCA or monetary compensation account payment for Britisb farmers and would have given a 3.6 per cent if the have given a 3.6 per cent if the British free enterprise around Community had allowed him. 1974.75, people with agricultural Stripped of jargon this means interests found ways of contract-Stripped of jargon this means that for the first time since the repeal of the Corn Laws there High farm prices are an will be a tax on imported food extremely inefficient way of staffs. It is now up to those belging Conservative MPs who bave a farmers. secuine belief in a social

conviction wbatever. have come under competitive against inflation, but has a Ministers keep on allowing sbort-term adverse effect on themselves to be overruled outoutput while costs and prices side the narrow monetary aud are being adjusted to market fiscal areas.

+ Indicates programme in

black and white am Ludwig. Jackanory. 10.15 Help! 10.35 Why

MR. PETER WALKER is one of realities. The policy may be a good or a bad one; but the Cabinet has allowed Mr. Walker to exempt agriculture from the pressures applying to everyone else.

Food prices may not rise overoight; but they will be prevented from coming down - an unforgivable omission when anything that can change inflationary expectations is so vital. The cost of the CAP will rise, thus throwing doubt on the sin-cerity of the UK desire to achieve a long-term solution to the EEC Budget.

The true cost of the CAP to the UK is not just the budgetary contribution of well over £1bn. but over £2bn. The difference srises from the non-budgetary costs paid by British consumers by paying prices above world market prices. A study by C. N. Morris in the March issue of Fiscal Studies suggests that for "green pound" is devalued (or not revalued) agricultural prodncers gain about £40m, but consumers lose over £40m and the net impact on the UK is a loss of over £20m.

The system of green currency to exampt farmers from currency appreciation was currency pioneered by the German Government which bas a much larger farm sector and which depends on Herr Ertl, the Free Democrat Agricultural Minister. to secure its Parliamentary majority.

sector is anything but depressed. It was notable that during the low point in the fortunes of ing out of the general troubles. poor or marginal

There are far too many market economy to support any exceptions to the present policensure motion which this eies of free markets and attracts from the Opposition. if budgetary restraint, and nearly their beliefs are to carry any all the exceptions are reactiononviction whatever, ary and socially regressive. Because of the rise in ster-Toleration of this combination ling, exporters of all kinds is likely to snap if Mr. Walker is allowed to carry on in his pressure. This belps in the fight own sweet way and the economic

many consumers may agree that the further addition this time of about 8p a bottle is less than they feared. Yet the total effect of the Budget for reasonably frequent wine drinkers is to increase their demand for everydsy wines, ordinary generally sold without a vintage and often bearing a brand name.

Every now and sgain I sample such wines, but the level of quality is generally disappointing. One does not expect cheap wines from the supermarket or grocery chain to be fine, yet least they should be agreeable. The ordinary drinker does usually make comparisons baving several different wines together on the same table. What then in general

Immature

should one look for?

First, the colour. A red wine should be red, and neither verging on rosé nor brown at the edges; nor purple either, as that indicates a probably immature wine. The colour can best be judged by looking first at the beart of the wine in a half-filled glass of generous size. There

bis Budget speech forgot to and the fringe should not mention that in June he had appear watery. Colour is best added, by way of VAT, 7p a seen against a white backfl bottle to the taxes on wine, many consumers may agree and the standard of the seemble a diluted should not resemble sho red, but if not a clear pink then it may bave an orange tinge or, as the French describe it, pelure d'oignon (onion-skin). The Loire roses sometimes have

> A dry white wine should be pale in colour, and if it looks yellowish this is suspicious, suggesting that the air has got at it, tending to make it re-semble a light-coloured madeira maderisé. Sweet white wines may have rather more colour, but not overmuch when young. All wines should be clear to the eye, but a little sediment is no sbortcoming, as some people helieve, though this causes quality controllers" to work nights and weekends to ensure

Secondly, the aroma should be fruity and fresh, and this is where many of these ordinaires fail. They are oxidised and smell flat. The easlest way to describe this state is that they smell—and taste—like wine left overnight in the glass. To find a wine fruity is not to imply that it should smell of grapes, but rather that it is fresh and sweet. though not confectionery-like. The cause of flatness or perhaps The cause of flatness or perhaps red wines emanating from the lack of bonquet is that the air Mediterranean littoral rather

ALTHOUGH the Chancellor in should be some depth of colour, has got to the wine before or his Budget speech forgot to and the fringe should not during bottling. From this It can never recover.

One stage worse is when the wine has a hint of vinegar in the nose, which will certainly be confirmed on the taste. Known as volatile acidlty, It could mean that at the time of fermentation the grape's natural sugar was but vinegariness is more likely because the air bas infected the wine so badly that it has turned

warm conditions, lacking in acidity and so beavy-tasting. But there are plenty of well-balanced red wines from tha-Midi and some reasonably crisp whites.

Italians and Spanish, have a heavy, lifeless flavour, as a result of being pasteurised. This "cooks" the wine slightly in order to maintain stability.

WINE

After the Budget, an increased demand for ordinary wines

BY EDMUND PENNING-ROWSELL

sour before bottling. To drink For a prickle on the tongue such wine is unpleasant, but and a ring of small bubbles in such wine is unpleasant, but the bottle might just come in useful in the kitchen, particularly if a lump of sugar is added when in the pan.
A sound wine should taste round rather than edgy or coarse and fresh, not flat. There are, of course, some perfectly sound wines that one may not like. I personally dislike those from Tarragona, which often have a "sick" aroma and taste and Retsina, but many Philipa' lenes will not agree. I find many

the botfle indicate a secondary fermentation, which when subsided leaves an acid after-taste It may be possible to get-rid of or reduce this prickle by exposing the wine to the air for a short period before drink-ing or by decanting it. This should be distinguished

other wines. Such a spritzig character_can be attractive and adds freshness to a white wine.

Nearly all wines imprive from short-term contact with the gir, and so should be opened balf an hour or so before being poured out. Some of the more powerful wines from Ital can do with much longer than hat. The reds from "hot countres" develop well after mode ate

airing. The aroma is released and the wine may round out Everydsy white wines ned chilling as much as mon superior qualities; indeed the heavier ones may gain a little freshness from this, but all w be killed by over-freezing. It worth experimenting with wines that should at least be consistent from bottle to bottle.

It is a mistaka to buy every-day-drinking wines foo far ahead, for they are unlikely to improve much and may deteriorate after a few months. On the other band, most red wines benefit from a little bottle-age. from the slight sparkle or though with wines bought off spritz deliberately left or some- the supermarket shelf that is imtimes induced in German and possible to ascertain. For wines bottled in Britain the time will probably be minimal, but those bottled in the country of origin Very often these ordinary are likely to have rather more

A guide to everyday drinking the whites, produced in very mal amount of car in serving are blends made up for quick that they deserve Even if drinking, and probably should bongbt "round the corner" not be kept for more than six they will probably be effit from months. This applies much less a few days rest aferwards to the basic appellation contrôlée or VDOS wines, such as Côtes du Rhône or Corbières, which may well mellow in bettle.

Mistake

Among the chain wine sellers I have found Marks and Spencer and Sainsbury's among the more reliable suppliers of inexpensive everyday wines, but even theirs may vary. It is a mistake, however, to be influenced too much by price. For the cost of shipping duty and the bottle itself will vary little and VAT only by a matter of a few pence. The variable item will be the cost and quality of the wine, and a little more paid source may result in a dispoportionate improvement in

s with all matters affecting wile drinking, comparison provide the best means of accur-ing the type or brand most suited to one's own taste. though to open at one sitting more than one supplier's litres of wile calls for a rumber of consumers. Otherwise one what one of my friends calls s

Coal Bunker to lead the way

THE GLUT of Easter holiday 10 furlongs at Bath racing continues today with meetings at Warwick, Chepstow. Uttoxeter and Wetherby. But in contrast to the rest of the holiday sport this afternoon's racing is of a disappointing

RACING

BY DOMINIC WIGAN

calibre and sorting out the winners looks more than tricky. At Warwick, the most Interesting race is the Coventry Handicap in which Pledge bids to concede weight to 12 opponents. A winner here last season. when making all the running to score over 14 miles. Pledge went on to add to his tally over

September. Henry Caody's

Rarity, who is as at home in the mud as on a fast surface, seems sure to go well follow-ing a run at the last meeting on this course. La Piccolina and Miss Honeypenny also look

La Piccolina, a small Tudor Rbythm filly out of the Behistoun mare. The Guzzler, put up her best performance of 1979 when tacking this trip for the first time on her final Miss . Honeypenny caught

many an eye with her effort Leicester a formight ago when running on as well as any in the Hollwell Handicap won by Grey Mountain. A second runner far from

discredited at Leicester and capable of making another bold

12.45 am Close. All IBA Regions as London

except at the following times:

9.30 am Something Officient. 9.45 Sesame Street. 10.45 Sandokon. 11.10 Animated Classics. 12.30 pm Georga Hamilton IV. 1.20 ATV Newsdesk. 5.15 Survival. 6.00 ATV Today. 7.00 Emmatdola Farm. 7.30 Armehair Thiller. 3.00 Nurso of the Year. 11.00 ATV Newsdesk. 11.05 S.W.A.T.

BORDER

9.30 am Sally and Jake. S.45
Sesame Street. 10.45 You Can Make
It. 11.10 Country Comes West. 11.35
Frentiers of Discovery. 1.20 pm Border News. 5.15 Father, Open Father.
6.00 Lookalound Tuesday. 7.00 Emmotable Ferm. 7.30 Surivel. 8.30 Lesve to Chetlie. 11.00 Luto's Kingdom.
12.00 am Sters on Ice. 12.30 abrdet
News Summery.

CHANNEL

UTAINVEL

1.20 om Chennol Lunchtime News,
What's on Where and Weathor. 5.12
Putin's dirthday Grootings. S.15
Earloy's dirth. 5.00 Report at Sis
10.22 Channel Late Nows. 11,00 Kpz.
12.00 am George Hamilton IV. 12.25
Commontaires et Previsions Meteoro-

GRAMPIAN
9.25 am First Thing. 9.30 Thunderbirds. 10.25 Larry The amb in Toytown. 10.40 You Cen Meke It. 11.05
Country Comes West. 11.30 Frontiers
of Oiscoery. 1.20 pm North News.
.00 North Toright. 7.00 A Man Called
Sloone. 11.00 Reflections. 11.05 The
Tuesday Thriller. 12.30 am North
Meadlines.

GRANADA

HTV

show, is Coal Bunker, one of 12 runnars declared for the Compton Verney Maiden Two-Year-Old Stakes.

This sharp sort failed to justify favouritism in the Maytime Auction Stakes, but in finishing third, was beaten only a leogth and a head by Lucky Tonight and Miss Marton.

The runner-up paid a useful compliment to that form when achieving a smooth success at Newcastle on Saturday and it seems probable that Bunker will be the one they will all have to beat.

WARWICK

- 2.15-Qniet Cannon 2.45-Leiko*
- 3.15-Royal Diplomat
- 3.45-Coal Bunker*** 4.15-Miss Honeypeunyee
- 4.45-Newark

Olscavery. 1.20 pm Report |
Headlines. S.15 Megillo Gorilla.
Crossrosds. 5.00 Report West.
Best in the West. 11.00 Exon
12.40 am Westhel.
HTV CYMRU/WALES—As H
V/EST/HTV GENERAL SERVI HIV CYMRU/WALES—As RTV YJEST/HTV GENERAL SERVICE excapt:—12.00-12.10 pm Ftslebsdom. 1.20 Penewdau Newyddion y Oydd. 1.25 Report Woles Headlines. 4.15 Shardun. 8.00 Y Oydd. 6.15 Report Wales. 6.30 Worzel Gummidge. 10.30 Bywyd. 11.15 Frieside Theatro. 12.10 sm Weethei.

SCOTTISH

9.30 am Filends of Man. 9.35 Colai-Vorld. 10.40 You Can Make ft. 11.05 Country Comes West. 11.30 Frentiers of Oscovery. 1.20 pm News. 1.30 Selwyn. S.15 Cartoon. S.20 Cress-toads. 6.00 Scotland Today. 6.30 What's You Problem? 7.00 Take the High Road. 7.30 Love Thy Neighbour. 11.00 The "spectica, 11.30 Line Cell. 11.35 Celebrity Concert.

SOUTHERN

9.30 am Untomas World. 9.55 Rush.
10.46 You Can Moke It. 11.05 County
Comes West. 11.30 Fronters of Giscevary. 1.20 pm Southern News. 5.15
Oick Tracy Certoon. 5.20 Crossroads.
6.00 Opy by Opy. 7.00 Emmerdale
Farm 7.30 Octor Oown Under. 11.00
Southern News Extrs. 11.05 Fireards
Theatto. 12.05 am Weather.

TYNE TEES

9.20 am The Good Word. 8.30
Mystery Island. 9.45 Celebrity Concert.
10.35 Leat of the Wild 11.05 Country
Comes West. 11.30 Frentiers of Oiscovery. 1.20 pm North East News and
Lookatound 5.15 A Sharp Intoke of
Biealli. 6.00 North East News. 6.82
Crosarbads 6.25 Northern Life. 7.00
Emmordale Farm. 7.30 Survivol 11.00
North East News. 11.05 Tuesday
Movre. 12.30 am Epilogue.

ULSTER 10.15 am Stors on leg. 10.40 Your Can Make it 11.05 Country Comes West. 11.30 Frontiers of Olscovery. 1.20 pm Cartoon Time. 4.13 Uistor News Headlings. 5.15 Cartoon Time. S.20 Crossroeda. 6.00 Uistor Televiation Nows. 6.05 West Side Medical. 7.00 Commercials Form. 7.30 Survivel 11.00 Soup. 11.30 The Electric Theatre Show 11.55 Nows.

WESTWARD

UKAIYADA
9.30 am Sesamo Strett. 10.30
Histery Around You. 10.45 The Lone
Ringe: Show. 11.05 To The Wild
Country. 11.50 The Subbles. 1.20 pm
Granade Reports. 5.15 Heopy Ooys.
6.00 Granedo Reports. 5.30 Emmeddale Faim. 7.00 Kate Loves e Mystary.
8.30 Leave it to Chorlie. 11.00 The
Tousday Frim. 9.25 am Oynomust the Oog Wonder
9.30 Chopper Squad 10.40 You Cen
Make 11. 11.05 Country Comos Weal.
11.30 Frontiers of Orocovery. 1.20 pm
Westward Nows. S.12 Gus Honoybun's
Brithdoys. S.15 Bailey's Bild. 6.00
Westward Olary. 10.28 Weatword Leto
News. 11.00 Kbz. 72.00 George Homiton IV 12.25 sm Faith Jer Life. 9.30 am Acachembers. 2.55 Survival 10.20 The Med Cog Gang Meeta Rotten Frod and Retegore. 70.40 You Can Make It. 11.05 Country Comos West. 11.30 Frontiers el

of Seville, Toxca, Fidelto, Die Fidermous.

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27 Behind in blushing so it is told (7) 28 Times leader bas motive for

DOWN day's prize puzzle will be 1 No Scots perfume is being published with names of

9.00 Nina O'clock News 5 Rehecca. 10.20 Bugs and Daffy and Chuck and Porky. 11.10 Platform One: Viscount

Regional · News.

Don't You? 11.00 Closdewon, 12.45 pm Midday News. 1.00 Pebble Mill at One. 1.45 The Flumps. 2.50 Dechrau Siarad. 3.15 Easter Soogs from Glaston-bury. 3.53 Regional News for England (except London). 3.55 Play School. 4.29 Lassie, 4.40 The Perils of Penelope Pitstop. 5.00 Scotland. 10.20-10.50 Current Account. 10.50-11.35 Bertrand Tavernier. 11.35 News and

6.50 Bugs Bunny. 7.00 Yoong Musician of the Year. 7.35 Life on Earth.

BBC1 except as follows:
Cymra/Wales — 5.10-5.40 pm
Billdnwcar. 5.55-6.20 Wales Today. 6.20-6.50 Heddiw. 11.40 News

11.10 Platform One: Viscount Etienne Davignon.
11.40-11.45 News, Weather, Points West (Bristol); South To-All Regional programmes as

and Weather for Wales. Scotland—12.40-12.45 pm Scot-tish News. 5.55-6.20 Reporting Weather for Scotland. Northern Ireland — 3.53-3.55 Northern Ireland News. 5.35-6.20 Scene Around Six. 10.20-10.50

John Craven's Newsround, 5.10 Think of a Number, 5.33 Paddiog-5.40 Evening News. 5.55 Nationwide | London and South East?. 6.20 Nationwide.

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party without tins (2, 3, 2)

12 Boadicea's people brought hard water to Northern 13 Afraid of returning to les-

example, is very dear (5)
21 It's never still though stay-

23 Show places etc. rebuilt (9) 25 Noble with inclination to be excellent (4, 5) 26 Things on foot for hotel

joins an artisan (9) 3 Not ao established church

member for the present (5)

4 Frank goes to part of school offering liberal bospitality (4. 5) 5 Were stinking fisb 15) 6 Tradesmen spinning a yarn

7 Point to healthy mammal one has found thoughtful (T) 14 Departed with appropriate

spot on (4, 5) 16 Motorist may keep this baby be abandoned (2, 3, 4) 17 First clue given to person on the other side (3, 6) 18 Dog staggering about (7)

20 Papers willing to persevere

22 Watch at 6 soldier left (5)

23 Way to belp become aober 24 Figures presented to the board (5) The solution to last Satur-

winners next Saturday.

Spotlight on Northero Ireland Affairs. 10.50-11.35 Bugs and Daffy and Chuck and Porky. 11.35 ANGLIA
9.30 am The Count of Monte Cristo.
10.15 The Beachcombers. 10.40 You
Can Make II. 11.05 Country Comes
Wost. 11.30 Frentiers of Oiscovery.
1.25 om Anglia News. 6.00 About
Anglia. 7.00 Bygones: 7.30 You're
Only Young Twite. 11.00 Inside Business: Steel. 11.30 Twist in The Tole:
Force of Evil. 12.30 am Anthology. News and Weather for Northern England-5.55-6.20 pm Look

East (Norwich); Look North (Leeds, Newcastle); Look Northwest (Manchester): Midlands day (Southampton); Spotlight

South West (Plymouth). q E C G shrdlu nu nu nu BBC 2

11.00 am Play Sebool: "Henry Hatter. 6.30 nm The Great Egg Race. 6.55 The Past at Work: The New Iron Age.

7.20 Mid-Evening News. 7.35 Ain't Many Angels. 8.30 Writers and Places: Bernard Malamud.

9.00 A Question of Guilt. 9.30 Yesterday's Witness in America. 10.20 Top Gear: Car and Motor-

cycle News. 10,45 Newsulght. 11.30 The Old Grey Whistle

LONDON 9.30 am Untamed Frontier. 9.55 Rocket Robin Hood. 10.15 Heritage. 11.05 The Mackenzie Heritage. 11.05 The Mackenzie Affair. 11.55 The Bubblies. 12.00 Paperplay. 12.10 Pipkins. 12.30 The Sullivans. 1.00 News. 1.20 Thames News. 1.30 Take the High Road. 2.00 After Noon Plus. 2.45 Scorpion Tales. 3.45 Look Who's Talking. 4.15 Pop Gospel. 4.45 Mazpie. 5.15 Emmerdaye Farm.

daye Farm. 5.45 News. 6.00 Thames News.

6.25 Help! 6.35 Crossroads.

7.00 Charlie's Angels. 8.00 Armchair Thriller. 8.30 George and Mildred. 9.00 Playhouse: The Gate of

Eden" (Part 1). 10.00 News. 10.30 The English Garden. 11.00 Fear No Evil.

RADIO 1
(2) Stereophonic breadcast
† Medium wave
5.00 am As Radio 2 7.00 Stove
V/light. 9.00 Simon Bates. 11.31 Peter
Powell including 12.30 pm Nowsbeat.
2.00 Andy Peebles. 4.31 Kid Jenson
including S.30 Newsbeat. 6.31 Musicology. Contest. 7.00 Persons! Call.
3.00 Mike Rond 9.50 Newsbeat. 10.00
John Peel (S). 12.00.500 am As
Radio 2.
Vist Radios 1 and 2—6.00 am With

VIET Radios 1 and 2—5.00 am With Radio 2 10.00 pm With Radio 1. 12.00-5.00 am With Radio 2. RADIO 2
5.00 am Naws Summary. 6.03 Ray
Moore (S) including 6.15 Pause for
Thought. 7.32 Terry Wopen (S) including 8.27 Racing Bullatin. 8.45 Pauso
for Thought, 10.03 Jimmy Yeung (S).
12.03 pm David Hasmiton IS) including
1.45 Sports Desk. 2.03 Ed Stewort's
Request Shaw (S) including 2.45, 3.45
Soorts Ossk. 4.III Much More Music
IS) including 4.45 Sports Desk. 5.00
News. 6.05 Waggonsra' Welk. 5.20
Much More Music (S) including 5.45
Sports Desk. 6.03 John Ounn (S)
Including 6.45 Sports Desk; recing
results. 3.02 Hubert Gregg aays I Call
II Genius. 9.02 Gleropreus Nights (S).
9.55 Sports Desk. 10.02 The Frankis
Howard Veriety Show. 11.02 Briss
Matthew with Round Midnight, including 12.02 Midnight Newsroem. 2.025.00 am You and the Night and Ihs
Music (S) with Moles Stuart. RADIO 2

6.55 am Wasthei. 7.00 News. 7.05 Overture (S) Concert: Greg. Teholkovsky, Liszt, Bartok. 8.00 News. 2.05 Morning Concert (S) Beethoven.

Haydn, Mozart, Schubort, 9.00 Nows, 8.05 This Week's Composer: Buch (5), 9.55 Plane Riccial (5) Borrok, Adechi, Lizzi 10.45 The Trio-Sonata (5), 11.45 Swedish Sonas IS) Sjögren, Rangstrom, Eriksson, 12.10 pm BBC Welch Sympheny Orchestre (5) Concort (pair 1): Holat Benjomin, 1.00 Hows, 1.05 Six Continents, 1.25 BBC Wolah Symphony Orchestra (S) (pair 2): Mieleen, 2.05 Dennie Bren in Chembet Musie (S) by Baethoven, Mozart, 2.45 Parikian, Fleming, Roberts Trio (S) Concort (pair 1): Haydn, Brohms, 3.25 Interval Reading, 3.25 Concort (pair 1): Haydn, Brohms, 3.25 Interval Reading, 3.25 Concort (pair 1): Asethoven, 4.25 Jazz Todey (5), 4.55 News, S.00 Mainly for Floasure IS) with Bernard Keafle, 7.00 Collectors' Corner: The Art of the Conductor, 3.00 London Philhermonic Orchestra (S) Concort (pair 1): Oversk, Rachmoninov, 9.15 A Malia Suite by Nigol Bennie, 9.35 London Philhermonic Orchestra (S) (pair 2): Simpaen, 10.15 Goctor Fischer of Geneva, 10.46 The Piono Music of Busoni (S), 11.55 Hows.

RADIO 4

Archers. 1.55 Shipping Forecast 2.00
News. 2.02 Woman's Mour. 2.00 Mows.
3.02 Liston with Mother. 3.15 Woman
in Love (S) 4.10 Booksholl. 4.40
Announcements. 4.45 Short Stary:
"The Luck of the Oraw." S.00 PM.
5.50 Shipping loucost. 5.55 Wosthol.
6.00 The Six O'Clock Maws. 6.30 The
Oxford Revue (S). 7.00 Nows. 7.05
The Archers 7.20 Rasi Evidence. 2.05
In Touch. 8.20 Chelirs of Woles IS).
9.15 Oown the Garden Path. 9.30
Kalbidoacope 9.59 Weather. 10.00
The World Tought. 10.30 Reund Sattam
Ouiz. 11.00 A 200K at Badtame: Thet
Uncortain Feeling "11.15 The Financial World Tought. 11.30 On the
Lighter Side of Life (S). Music on
Records. 12.00 cm News. 12.15 Shipping loiceast
VHT—11.00 pm Study on 4: Teaching English as a Second Lougauge.

BRC Padio London.

6.00 am Nows Breting. 6.10 Farm-Today. 3.25 Shipping Forucast. 3.30 Inch Yeogood's Showracco. 4.30 Inch Yeogood's Showracco.

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Sites of the season by DAVID PIPER

One of the more reliable menities, now that April is ere, is that the country house governed throughout its whole amenities, now that April is here, is that the country house governed throughout its whole season has opened. English existence hy virtually two weather in spring is however generations that of its creator fordinand and his sister notoriously fickle even more than at other seasons, and so country excursiona are generations. that of its creator Baron Ferdinand and his sister and successor Miss Alice, who died in 1922, and that of Mr. country excursions are died in 1922, and that of Mr. perilously vulnerable. A visita- James de Rothschild (d.1957) tion to a country house, on the and his wife. It was Mr. de other hand, can be conducted Rothschild who left it all to the salubriously unexposed to National Trust. Under the weather, apart perhaps from a autocratic but unerring eye of ahort dash from car park to Mrs. de Rothschild the National house door, although if you wish. Trust has cherished it since for country air most houses into its present exquisite offer gardens or parks for balance between domestic counstrolling. And at a great many try honse and what is in effect you can get proper teas (scones, an important museum. Among cakes) of a calibre that has now a fascinating assemblage of almost disappeared from the memorahilia, including photo-London catering scene and graphs, in one corner is the indeed from most domestic slender superbly elegant

However at the birds made up to the birds made up to the birds and the birds are to the birds and the birds are to the birds

CHEMA

If en famille, you can seek out the estates that have swung Mrs. de Rothschild presided vigorously into a full showbiz over the inauguration of the vigorously into a full showbiz operation—at Wobirn or Longleat, your children need not even be exposed to a whiff of culture, so extensive are the zoological or fairground counter-attractions. For more artistic tastes, other houses offer more closely defined specialised pleasures. Among these, in the Home Counties (thickly studded with great houses though that region is) Waddesdon Manor takes a very prominent place indeed.

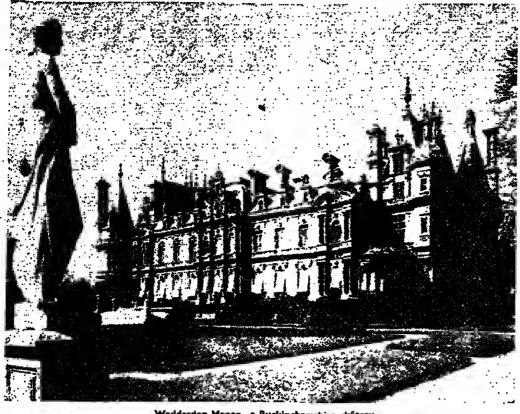
Specialised, Waddesdon undonbtedly is: the final—not so much fling as peony effulgence of the strongly French-accented so-called "nouveau-riche" style of the 1860s and 1870s. Not that the Rothschlids, by then undouhtedly riches, were exactly nouveaux. In the mid-1870s, Baron Ferdinand de Rothschild rased the bare top of a hill near Aylesbury, and force-flowered on it a French château complete with mature trees, menagerie, and exotic aviary (now a flash of naturalised macaws can sometimes be seen in the grounds): The tarchitect was French, the landscape gardener was French, and so the accent of the interior of the house was, and remains, predominantly French. The whole range of distinct special in the Tower Drawing Room for the envy not only of many was no less ties. The nearest counterpart example, apart from the great provincial collections (two October, Wednesdays to Sundisputably Rothschild, and is in London to the state rooms on Greuzes, the Lancrets, on the large volumes, for example, on days, 2-6 pm.

wedding dress that Mrs. de Rothschild wore in 1913. Last

last room in the house that can be opened to the public. They started in 1959 with 11, the total ia now 28. In this "New Room" (and so-named) are shown examples of

still further extensiona of the Rothschild taste—Baron Ferdinand's passion for bunting, as for French 18th-century huildings and hoard games: Miss Alice's dried autumn leaves, Mr. James's coins (a powerful heavy-jowled sequence of Roman emperors), and likewise his amber bottles collected in China. Entirely congruent in the whole is the latest arrival en English needlework rug finished on Fehruary 29, 1980 (I doubt if the date was artificially contrived but rather hap-pened inevitably ao).

It is the congruence of taste, sustained by the unbroken family continuity, that is the especial astonishment of Waddesdon, finding expression in formidable almost relentless English 18th century portraiture the mood of the whole house. rich density. Even the flowers of a calibre that must have and there is no sense anywhere. in the rooms seem, while caused Duveen to turn pale at as tends to happen even in the harmony of taste embraces a



the ground floor must be the Wallace Collection (of which Mr. James was in fact a trustee); comparable wealth bere of Louis XIV and Louis baroccoco lewer agures of van.
XV elegances in furniture, but pearls fantasticated in gold or disposed on superb savonnerie silver-gilt, ehony or ivory; with unexpectedly. they were an especial province of Miss Alice; vais tapestries, and a great deal of first-rate carved

tore his boulevarding way

walls, horizontal surfaces and furniture clocka and gilt hronzes vitrioes are brilliant with alone) but of several national Clodion terracottaa and Sevres ones. Glass and enamels, porcesoft-paste, cases alive with lain, sculpture, all are accounted

Upstairs are some more boiserie panels (some salvaged overtly museum-like displaya, noisseurs' day). from demolitiona as Haussman but the large vitrines in the But overall, the Long Room with costumes and through Paris in the 1860s). textiles, the cases with glass, In paintings, besides the with lace, the clusters of the French achool: there are outstanding Guardis, and grand all are designed to merge into clusters of special brilliance- catalogue of its collections must

visible in the Bachelors Wing opeo only on Friday, con-

But overall, the flavour is far from institutional, nor should it he-though it could so easlly be - indigestible. Decorum yes (childreo under 12 are firmly excluded from the house) but somebow it remains bumane, even endearingly so. Some-where in the grounds a notice immaculately fresh, to be contained the knowledge of their unmost carefully tended of open says "No motors here," I didn't stituent parts of the collection availability, not least the Gainshouses, of rigor mortis of a sight a telephone at Waddesdon; I have called the collection horough Pink Boy. But through dead arrest of time. Yet I know there are some, but I specialist, but the sumptuons out there are accents on Waddesdoo is a museum. Its suspect when you use one you

Royal Court

Hamlet by B. A. YOUNG

There's not much music in this Homlet, hut there's a freshness that hrings to many of the lines, though not enough to tell excesses are due only to his lines a feeling that we are hear- what is omitted. He breaks off

هكالمن التيمل

as a star vehicle for Jonathan sickness and speaks the Ghost's girl who in her mad scenes Pryce, not does he in any way words as if possessed. Thus try to make it one. He is both the battlement scenes are inclined to flatten out some of virtually lost. One result of a spare abelf in the royal the more poetic verse by putting a full close at the end putting a full close at the end written out, and as Jariath full of skulls was no more than of every phrase, and he is a Conroy playa him perhaps this she deserved. hit niggardly in his allowance is as well.
of humour, one of Hamlet's The E better qualities. But he never Elphick's hands, always sounds making use of lines of arches works against the text

Or rather, what is left of the text, which has been ruthlessly rather insensitively cropped, depriving us of all the vital first scene, one of the gravediggers, and several vital lines, such as "And ahall I of respect. Gertrude, on the comple hell?" and (in the closet other hand, is a decent, sentilines, such as "And anall to comple hell?" and (in the closet other hand, is a decent, senti- in his mother's closet, senti- scene) "Is it the king?" More- mental woman, and Jill Bennett which he crawls to stah spreads her sympathy so univer- Polonius point-blank, and then about Priam has heen replaced some dreadful lines by Christopher Logue, who speaks

ing them for the first time.

The production is not treated sound that suggests imminent

spreads her sympathy so univer-sally that she might almost have his mind off hia murder.

I very much liked Geoffrey them admirably.

Chater's Polonius, who is never duction runs for something
The loss of the Gbost is over-silly, but I only liked one of three bours and 40 minutes.

heing suddenly carried away hy juvenile temper. Harriet Walter's Ophelia is a hig, butch seeemed to me musical without being insane. So her hurial on this is that Horatio is almost mausoleum with its cuphoards

On the whole The King, in Michael Dudley's sets are very good, like a good con-man, that is movable into different positions to say he speaks with apparent to change the venue. Glimpses belief in what he says but never through trompe l'oeil shutters persuades one that he is show sinister details, a akull any more honest with his fel- here, an hour-glass there, a lows than he is with God, whom cloaked figure balfway through he approaches with a minimum z door. It was wrong though, to give Hamlet that great arras sally that she might almost have to use it as the background for married Claudiua just to take Fortinbras's arrival eo route for Poland.

Despite all the cuts, the pro-Chater's Polonius, who is never duction runs for something like

National Theatre

Pick of the Platforms

by MICHAEL COVENEY

Ken Dodd would probably houncing back at you off big New Yorker stories. Harry escribe the National Thestre windows. Towb led the cast, giving good describe the National Thestre windows. as a magnificent shed. The concrete austerity is chipped away at from the inside by the seemingly endless activities and "projects" superviaed hy Michael Kustow. Platform Performances are given in the early evening on certain days and,

what with queues at the box office, knapsacks round the information counters, and music

buffs sprawled on the Lyttelton yer area soaking up traditional jazz or string quartets, the place always reminds me of Heathrow departure lounge with all the flights grounded. Busy but eoervating, with muffled noise

Three of the Platform Per-

formances currectly available were collected in a special matinée programme in the Olivier last Wednesday. And a very interesting and rewarding afternoon it turned oot to be. -First, we bad Iris Murdocb's oeo-Platonic dialogue, Art and Eros, with Andrew Cruickshank presiding magisterially as Socrates over a dinner-jacketed conference after a theatre performance. Laugh lines like "Did Plato enjoy the play?" soon gave way to a riveting discussioo on the nature of Art, defined by Greg Hicks's dissident Plato as "the final curning of the human soul." Socrates, naturally, had the final and irrefutable say on the subject,

lmitator of Life, and bourgeois The middle piece comprised admirable that the National four Woody Allen sketches, Theatre should support him both some of them derived from his as artist and individual.

hut the ground was thoroughly and lucidly covered beforehand.

including strongly put views of Art as eroticism, social weapon,

impressions of a Bogartiao private dick signed up to track down God, an intense extraplator of the virtues of an obscure Swedish playwright with hilariously satirical excerpts from the plays, and a dress manufacturer buying time from the figure of Death by beating him at gin rummy.
Finally, Vaclav Havel'a Pro-

test examined the role of the artist in a repressive society hy contrasting the restrained passion of a recently failed dissident (John Normington) with the tortuously Jesuitical arguments of a successful television writer (Rohin Balley) as to why he abould not sign a stronglyworded protest at the incarceratlon of a pop singer. The playing was subtle and utterly grlpping, providing another impressive chapter in the work of this playwright from behind closed doors. Mr. Havel is serving a four-and-a-half-year sentence and It is indeed

Sadler's Wells

Mary Queen of Scots

For Thea Musgrave's Mary Meredith Davies to take her Queen of Scots, introduced to place as conductor of this revival at a very late stage; from Opera, I can summon up only a rather negative vein of praise.

The black of Scott Aparting Orghanter would hardly bear the stage of Scott Aparting Orghanter with the stage of Scott Aparting Organter with the stage of Scott Aparting It is the kind of 20th-century Orchestra, you would hardly opera one could try out with have guessed as much. confidence on almost anyone. secure in the knowledge that few pains will be caused, few difficulties of manner and matter. Though the musical idiom is "molern," the composer has taken care to sweeten it at key points. The plot is, of course, familiar; and its dramaturgy, even if unwieldy in

the outer acts and somewhat uncertainly halanced in matters of timing and control of incident, shows a more than hasic command of operatic skills. The opera is not boring: and to Scottish Opera, whose 1977 commission it was, it ohviously remains a pleasure to perform (which is in itself a compliment to the work performed). Colin Grabam's production goes with

a swing; the chorus evinces real eothuslasm; with one exception, a Riccio with a most un-minstrellike roughness of tone, the leading players, notably Catherine Wilson in the title role, Gregory Dempsey (Bothwell), and David Hillman (Darnley), give cogent. musically skilful accounts of their roles-indeed, Mr. Hillman ia in every respect outstandingly good. The composer's recent very aerious illness caused

And when all that is said.

grave has taken so few real chances, has opted so openly for a crowd-pleaser, a hig, popular success, that this becomes in the end the opera's only real raison d'être. Mostly, the music employs and amalgamates a range of stock operatic devices, tricks, routines; and though it does so with a good deal of cunning and craft-the lullahy is just one set-piece that falls into place without either jar or the faintest surprise—it seems unable, except in one scene, to articulate a dramatic world of any real freshness or native vigour. (The exception is the Court Ball, its dances and the interruption thereof vividly worked into the situation-one begins to sit up and pay attention.) The diction of the libretto is ridden with cliche; the fact that this matters, as in ao many famous and popular to musical achievement. Mary Queen of Scots "works"—but

its way of doing so is depress-

ingly unamhitioua. MAX LOPPERT

Elizabeth Hali-

E.C.O.

by ANDREW CLEMENTS

For anyone who had hitherto, or lying on the top of sprany the same period of the familiar from operatic stages, allow coincidences of another sang capably without notice, the his music of recent years has work for full symphony GLC presented Stars of the orchestra) is spectacular, but Vienna Volksoper celebrating symphony offenhach's death and the hith instrumental music three large for the resources; the use of Robert Stolz (White Horse were apparently and insecusstring quartets, a solo violin of percussion sometimes over inn, Wild Violets) while a were apparently and inexcussion for excussion sometimes over inn, Wild Violets) while a were apparently and inexcussions of percussion sometimes over inn, Wild Violets) while a were apparently and inexcussions of percussions of percussions sometimes over inn, Wild Violets) while a were apparently and inexcussions of percussions of percus one ballet on the Orpheus legend - and the economy of means of the the work the significance of the chamber works at least curbed Folia theme is to a large extent his destructive seam of self- lost; later on Henze introduces Indulgence. Of his abundant a fandango rhythm as if to re- hack and Stolz while the Eliza- of all is the suspicion that they induscriber to remote there has never it's an attempt to reimpose product presumably indicates good a composer Sullivan is. heen any doubt, and to see it resurface in abstract musical arguments was timely and hreathed paragraphs, intermit-foreign.
encouraging tently engaging but finally over As the

dates also from this period, marks to aid the listener, too written in 1977 for an American chamber orchestra and only stance out of effect. On a first now reaching London, though hearing it suggested a rgretthe Bournemouth Symphony table return to the old undis-Orchestra gave the first British ciplined composer. performance last year in Briatol. It formed the first work in last Henze with Mozart's last C major night's programme hy the Eng- piano concerto, K. 503, in which lish Chamber Orchestra con the soloist was Michael Dalberto. ducted by Gerd Albrecht. The Mr. Dalberto won the Leeds starting point for what turns Competition final playing this out to be not an "aria" at all, concerto and its austerity suits but a 25-minute symphonic his impersonal, scrupulously study, is the Portuguese La polished style. But he pro-Folia dance used by Corelli and duced last night a consistently a number of his contemporaries, and (via Corelli) by whether the fault of the instruRakhmaninov. The theme ment or the performer it was appears, played unjetly, on the hard to tell—and made few violas after a spiky, Stravin-concessions to the orcbestra's skyan introduction: after that, accompaniment. Elegantly the shape is only occasionally

For anyone who had hitherto, or lying on the top of splashy

the texture. A ahort way into direction on what becomes a rambling structure of short-The Aria de la Folia espanola, hlown. There are too few landmuch intent on building sub-

Mr. Albrecht followed the turned woodwind solos were discernible, buried in thick, frequently buried under prozaic apparently unrelated, textures, keyboard figuration.

Festival and Elizabeth Halls

Operetta concerts formal introduction, to the non-

On South Bank, where they avoid like the plague repetition of classical masterpieces during the same period of time, they Jenkins and Harry Coghill, Gala Night of Gilbert and Sullivan starring Peter Pratt, Ing with good humour, lent was enlivened by Fenella Fieldveteran of the D'Oviv Carte and other fields. That the Festival Hall was well filled for Offenan unsatisfied public appetite for operetta home-grown or

As the intervals coincided. one could slip from the long first half of Gilbert and Sullivan to a second part, except for one waltz by Stolz, all Offenhach, No. new or stimulating comparisons were sparked off between these o masters of light music. Neither Sullivan nor Offenbach is at his best under concert conditions, even with dainty costumes and roguish dance routines for the former and a battery of mikes and spotlighta for the latter. Between styles of however there were marked differences, not in our favour.

Peter Pratt still delivers Gilbert's point numbers with crusty anthority. What is more, is also worth hearing. Equally he and the conductor (Peter so in Peter Minich's "Es wohnt Murray) remained securely in in mir dein Bild." a vocal touch. For this one could almost version of the "Abendblätter" forgive a less than generous waltz. reference, in Mr. Pratt's in-

British entertainment next door. Gillian Knight, Terry familiar from operatic stages, the ootes. The audience, beamthing else. The saddest thing

oper (hardly luminaries by international standards — Karl Dönch, though announced, did not appear) are not superior to their English colleaguea in vocal They are, though, quality. seasoned performers accustomed to playing to a mixed and largely popular audience, well able to put their material across at high voltage. The Viennese rightly honour the adopted Parisian who by persuading Johann Strauss to try his hand at operetta became a founding father of the Viennese school. Their Offenbach was vital and enjoyable in its own way—the width of Europe separated Helga Papouschek'a Letter Song from La Périchole from the warm, intelligent inflections of a régine Crespin, but the Viennese way

RONALD CRICHTON

Elizabeth Hall

London Sinfonietta

by DAVID MURRAY

Perhaps Good Friday was not ducted a precise and imaginative good day for an intentionally performance. popular" programme by the Sinfonietta. It is hard to think players had given so sympatheof any other reason for the thin tically polished an account of house they drew: the musical commedia l—a musically fare offered was obviously not piece, but tame and frail for its taxing, but some of it was fresh, length and indeed its title—that Support to the theory that ing and Richard Baker, and all concert was a new Instrumenta-G. and S. fans never go to any-of it was as scrupulously pre-thing else. The saddest thing pared as one expected. In its Mercures") by Harrison Birtholiday vein, in fact, it was a whistle, whose intention was to model Sinfonietta programme. realise in the orchestral sound

If Miss Fielding and Mr. The stars of the Vienna Volks-Baker did not draw crowds, they justified themselves remarkthe chance to deliver Facade is a accret fantasy widely harboured, and many a household name has been given it and come to grief. The Sinfonietta'a chosen pair displayed unshakewas a cheat, though, to divide the non-stop fantasy about Alfred Lord Tennyson between enhanced by seduloua BBC Intonations, and of course Miss the hald string writing of the fielding where knowingness original recalls the inspired Gilded Trellises"—a piece doing Birtwhistle has sacrificed played magically this time—and it for illuminating purposes, but of Black Mrs. Behemoth's we don't want to lose it for invocation.) Elgar Howarth con- good.

· Earlier, five Sinfonietta

tinuously. The novelty of the unfamiliarly as "Aveotures des "the individuality and the quirkiness which distinguish the music." The 1924 score was for ably well as the reciters of a ballet with Picasso and Façade, I suspect that getting Massine, and certainly its homespun textures are self-effacingly plain. Without cheap grotes-queries, Birtwhistle's version points up transparently a particular view of the music. one which answers to our current able rhythmic sense as well as hindsights about Satie; the dryly the essential breatb control (it pungent colours it adds sounded perfectly natural. It deserves to have a long concert life (even without Miss Fielding's charmthem). Mr. Baker excelled in ing delivery of the ballet numbers where the joke is scenario), but not to pre-empt Satie's original: for one thing. and/or a fruity relish for Mort de Socrate of three years arcane words ia to the point. earlier-and nobody would try (Dame Edith used to make to improve that !- so strongly theaotrically more, nonetheless, that instinct declares that Satie of the climax of "Through must have known what he was

TENNIS . BY JOHN BARRETT

Lesson for McEnroe and Connors Politicians at odds with athletes

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 $\pi f^{\bullet} f^{(0)} \wedge \chi^{0,2}$

ion the fill of

would allow himself after the less and could not see anyone about his difficulties. 23-year-old world No. 1 had defeating Borg on his favourite carved his way through the surface in the foreseeable on my patience. These courts highest class field, Monte Carlo future. has seen since the war, to win Borg was playing on his home

year for the amount of competi-defeat in successive rounds, that Borg will play only seven the Czech former world junior

Grand Prix events. Accordingly, Gerulaitis; and, in the final. Borg played at Nice the pre Guillermo Vilas, the left-handed vious week to open his com- Argentine No. 1—all without

opener without apparently suf- of last week's tennis was the French championships in the pay rise.

his third tournament of the courts, the beautifully situated Monte Carlo Country Club, and shot. I get too impatient and To Bergelin, as much as to there was an air of confidence try to end the rally too soon." his protege, this is a testing about all that Borg did. To tion has been drastically cut so Peter McNamara (Australia); champion, Ivan Lendi, one of Two of those must be "drop- the most improved players of back" events—tournaments of 1979 Jose Luis Clerc, a member lower prize money than the of the Argentine Davis Cup. \$175,000 to be won at Monte team which beat the U.S. Carlo and in the other main recently; then his old rival, Vitas

petitive season later than usual, the loss of a set and with only following his initial success one week's match preparation, early in January in the Masters demonstrated more clearly than Tournament in New York. words that Orantes is right.

the subtle rhythms of European play court clay. As they both have admitted, it is a mental problem-a question of heing prepared to swop drives, all night if necessary, while waiting for the right ball on which to launch an attack. It is a lesson which the

Australians used to find it hard to learn in the old days. I remember sitting at Stade He came through that pipe. The other interesting aspect Roland Garros on the eve of the

get the results in Europe that

their talents deserve until they

spend sufficient time to learn

when Bjor Borg is on court, himself no slouch on clay con- Connors on a surface which has Noel Grinda in the annual allowed himself a rare smile. - fided in Monte Carlo last week never really suited either. International Chub match and "So far, so good," was all he that he felt absolutely power- McEnroe is refreshingly honest was struggling, quite unable to "I guess I shall have to work defence.

are really very slow and you cannot get away with anything less than a perfect approach left the stadinm following Laver's defeat and said: "1 think I'll have to introduce and Parliament that British I do not helieve that either Rodney to the loh." Connors or McEnroe will ever

Ballot sets pay at Glass Bulbs

EMPLOYEES of Glass Bulbs, Chesterfield, have voted by ballot to accept an 11.5 per cent pay rise and have been praised by the company for their common sense.

price themselves out of jobs if reconnaissance. Unless the con- the they demanded an unrealistic flict in Afghanistan gets worse, hecause in addition to the even less time for politicians, confrontations. There have been

TREVOR BAILEY ON SPORT AND THE GOVERNMENT

city about participating in the will bave the reverse effect. Moscow Olympics has been to impose his aggressiva game remind people of the Afghaniagainst subtle and resolute stan invasion. Without the alternative competition to the Labour rather longer to under-The Australian manager, Cliff proposed boycott, the war itself ing the sporting bodies con- hillities of sport.

into the hackground.

The request by Mrs. Thatcher athletes should not participate has been rejected by the British O)ympic Association, most of the administrative bodies representing the sports involved, and most prospective competitors. This was entirely predictable and provided a perfect example of the lack of understanding

between sport and politics.

Although there were excel-

It is hard to comprehend the

naivity of the parliamentary suggestion to stage some form of massive media coverage of the Olympics without even consult- stand the new political possi-Sproule, turned to me as he might have faded even further cerned. Quite apart from such a scheme heing literally and logistically a non-runner, it must have struck athletes and administrators how the Govern- outstanding athletes, especially ment'a willingness to absorb in sports which appeal to telethese costs, because it suited its vision and commercial sponsorpolitical strategy, contrasted sharp)y with the money it curnational heroes, success symbols rently spends on athletic amenities, which lags far behind most European countries.

> Although ideally sport and politics should be kept apart, this is plainly impossible in the lent reasons for boycotting the modern world where govern. All as his envoy in an effort Olympics, the campaign to han ments spend ever-increasing to influence black Africa.

medals, particularly in the so- whatever way possible. called amateur sports.

Tha social and economic

changes in our society since the war have greatly increased the wealth, status and influence of ship. They have become current in a grey country. In this connection it was significant that President Carter, who initiated the Moscow hoycott and must be disappointed by the response used Muhammad

the odds must be on the Moscow obvious benefit to health and He simply wants to compete too many in recent years.

THE TALL: balding Swede, fering from lack of match play, eclipse of the world's No. 1 and 1950s watching Rod Laver on IT MIGHT be asid that the most Olympics taking place and the leisure, it also provides first against the best, irrespective of Lennart Bergelin, the guru who In fact, his opponent in the No. 3 players, hoth Americans, his first visit. He was playing worthwhile feature of the inthreatened boycott, far from class and comparatively chean their government, and also to it is always behind the scenes final, Mannel Orantes of Spain, John McEnroe and Jimmy a young French giant, Jean terminable arguments and public demonstrating Western unity, propaganda through winning capitalise on his own ability in

The sporting administrator. It has taken British Govern. like the politician, needs to be ments, both Conservative and an expert in-fighter. He will usually combine a passion for his own sport with a hlindness for its imperfections; while his outlook tends to be conservative, parocbial, and aomewhat self-righteous, atrongly resenting criticism and outside interfer

> A few weeks ago, former and current internationals drawn from various sports were invited hy Lord Thoroeycroft, chairman of the Conservative Party, to an informal, and non-political, lunch. None of us was a current administrator ao we could, and did. speak entirely freely.

From the discussion, the major point to emerge - and one hopes, to be noted-was the lamentable lack of communicathem has been ineptly handled sums to subsidise sport. It The average world class tion between Government and The company warned its and hadly timed, and above all represents a good investment, a sportsman or woman is far too sport. Although a closer liaison 1,200 workers that they could has suffered from inadequate point far more appreciated by self-centred and dedicated to will not always achieve agree-Communist countries hother with politics, and has ment it should help to reduce The loopholes in Mr. Carter's

technology sanctions

FINANCIALTI

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Tuesday April 8 1980

The task for Sig. Cossiga

both for Italy and for the EEC as a whole. It is good for Italy because the country's worsening economic problems will clearly soon need firm treatment. The annual inflation rate is now more than 20 per cent, the public sector deficit is running the other well over the ceiling set for extremely 1980, and the lira has lost most of its recent strength. It is refreshing, too, to see that Italian politicians can shed their usually lethargic approach to political crises if they need to-the new Cossiga cabinet was put together in the near-record time of Ifi days.

Chairmanship

For the EEC, the resolution of the crisis in Rome means that the Italian Government can now devote its full attention to its role of President of the Community, at a time when there is a pressing need for akilful chairmanahip. Italy's current international responsibilities, including the hosting of a world economic summit in Venice in June, are another reason why a prolonged period of political uocertainty In Rome would have been uodesirable.

First and foremost. Signor Cossiga and his team will have to try to defuse the explosive situation caused by the Com- a potentially good friend. munity's continuing failure to answer to the UK's demands for a substantial reduction in its budgetary paymenta to Brussels this year. After postponing the nine-nation summit originally aet for the end of last month, on the grounds of his domestic crisis, Signor Cossiga now bas two or three weeks to prepare for the rescheduled Heads of Government meeting. He is reported to be planning a tour round the other Community capitals to explore wbether a compromise can he put together that will get everyone off the hook.

In many ways, Italy is wellplaced to act as mediator in the dispute, in which the two extreme positions are held hy and France, Signor Cossiga is a skilful politician. In Signor Emilio Colombo, his

THE RAPID formation of a new underlined by his creation of Italian Government, announced a new post of Minister for just before Easter, is good news European Affairs, to be held by European Affairs, to be held by Signor Vicenzo Scotti.

Italy, too, is well placed to see both sides of the argument. Like Britain, it is one of the poorer EEC countries which feela it has had a poor financial deal from the Community. On the other hand, it is an extremely "communautaire" country which believes that Treaty rules abould be kept and that the aggressive pursuit of national interests abould not be allowed to endanger the edifice of European integration. In the dispute so far, it has kept its hands reasonably clean.

It is to he hoped that the British Government will cooperate fully with any Cossiga initiative. In the first place, it is high time that the problem was solved. In the second. Italy could prove a useful ally for Britain in the future-hoth countries sbare the aim of reducing the proportion of farm spending in the Community budget and increasing the amount spent under other headings in the poorer countriea In the past Britain has tended to discount Italy in Community decision-making. and it is true that Rome tends to carry less weight than the country's size would indicate. But that is no reason to rehus

Communists There can be no guarantee,

of course, that Signor Cossiga will be able to solve either his own country's or the Community's problems. In Rome his Government is widely regarded as yet another interim arrangement. For the first time since the Socialist Party is included in the Christian Democrat-led coalition, giving it a majority in Parliament. But the long-running dilemma of Italian politics, the extent to which the Communists should participate in Government. remains unsolved. Divisions among the Socialists on the issue could easily undermine be hoped that the new formula will enable Italy to discharge its international responsibilities new Foreign Minister, be has in the coming months. But in a a veteran of EEC diplomacy country in which the last 35 who has a high reputation for years have seen no fewer than his handling of the intricacies 39 Governments, it would be of international oegotiations, foolish to be over-optimistic as The importance Signor Cossiga to the new regime's life manufactured goods exports to

Not working on the railways

most expensive in Europe, hut tices. But Government con-Britain's railwaymen are straints on BR in the past three Europe'a lowest paid. It is this year of the Labour administraparadox which makes the cur- tion made productivity hargainrent British Rail pay negotia- ing difficult, because of the overtions more difficult, and more riding emphasis on fixed pay important, than might be suggested by the gap between the unions' demands for 20 per cent and the employers' offer of 17

For the past 10 years British Rail has been caught in a vicious circle of rising costs and declining usage, even as its employees' wages have fallen relative to those of other groups. It is clearly in the interests of unions, management and rail-users to reverse these trends. But with the level of Government support declining steadily, the financial constraints on BR are now so tight that the conditions for raising productivity are difficult to create.

Equipment

In 1976, British Rail identified up to 40,000 jobs that could be cut by 1981 without reducing the size or quality of the rail network. Less than one quarter of this reduction has actually been achieved. Union opposition has not been the only reason for the failure of this manpower programme. Indeed the rail unions have at times shown considerable interest in negotiating on productivity. Yet, many of the productivity improvements envisaged in 197fi depended on new equipment coming into operation: for example, suburban trains with sliding doors, suitable for one-man operation. But BR's investment ceilings since then have not made adequate allow-ance for the replacement of ohsolete equipment and for new lahonr saving investment. Furthermore delays in the renewal of rolling stock have increased the amount of maintenance required to keep the railways going. To make matters worse, even the investment ceilings set in real terms each many rail services, particularly year have not been attained, because the cash limits which were supposed to allow for equated with the prices pasthese investments have regu- sengers are prepared to pay for larly made inadequate allowance them. Attempts to operate rail for the rate of inflation.

manoower savings, merely infrastructure.

norms in successive incomes policies. This year's pay nego tiations could, therefore, mark a turning point in BR's lahour relations. However, BR's precarious financial position allows very little room for manoenvre. There is no scope to pay in advance for phased productivity improvements, to he achieved over a period of years. The manpower savings which are required in order to pay for wage increases at anything approach ing the rate of inflation have to he implemented more or less

The only alternative given falling Government subsidies, is to increase fares much faster than inflation. This would result inevitably in a sharp drop in volume — for the Inter City services 7.5 per cent of passengers are lost for every 10 per cent increase in fares.

Clearly there are similarities between the predicament of British Rail and that of the British Steel Corporation. But retrenchment in the railwaya could he less traumatic than in the steel industry, since the financial constraints placed by the Government on BR, stringent though they are, do not demand the transformation nearly as spectacular as the one required from BSC. In spite of the fact that the railways absorb much more public money than steel or any other industry, the

squeeze BR even harder.
The case for providing railwaya with Government sub-sidies, under strictly controlled conditions, is economically irrefutable and is recognised throughout the world. Public transport provides algnificant benefits to society as a whole. and not just to individual transport-users. It is, therefore, in *congest*ed urbat areas, cannot be completely aervices at a profit can lead to Of course, even without new fares rising to a level which investment there could bave discourages the most efficient heen ahundant opportunities for use of a nation's transport

trade embargo which the U.S. is trying to impose on Russia in retaliation for its invasion of Afghanistan. President Jimmy Carter first unveiled his measurea to limit the export of high-technology and strategic items to the Soviet Union, they look like failing. The measures, expanded three weeks ago to cover industrial know-how as well as technology. have been greeted with scepti-cism from U.S. business, met near-scorn from businessmen ahroad, and elicited only a

> own allies.
> At Leipzig—the premier East-West trade centre—one West European representative of a U.S. company which sells high technology products hoth to the Soviet Union and to Eastern Europe found East European buyers displaying unuaual incal measuring equipment, manufactured in Western Europe. They wanted to know if their countries fell under the same restrictions as the Soviet Union. The representative gave the standard reply: the U.S. Government was not granting licences for the export of the company's machines to Russia. In other words, as long as the hreadth of the emhargo'a intended impact was unclear, East Europe offered the Soviet Union

potentially huge loophole. Three weeks ago it was connoced remained unchanged; before that, commercial counselsales of high technology prowhether they will pass it on to the Soviets. The possible East Europe

token response from America's

loophole is matched by others this side of the East-West When the emhargo weapon was wheeled out for grain,

high technology and even atbletics, the high technology han always looked the least sub-stantial U.S. high technology exports to the Soviet Union were very small. Total U.S. in the way of sophisticated elec-

ment has thus heen present months going to a competitor." from the heginning. When, for from the heginning. When, for Armco's chairman firmly example, a few days after the believes that Creusot Loire of retary, announced that high French company said two weeks

HE SOVIET Union will technology licences for goods survive even more worth over \$1bn had been survive even more comfortably than Rhorefused, the impartial observer could be permitted some This is the view of Herr Otto Walf von Amerungen. scepticism about the size of the figure. It turned out that the \$1bn would have been spread President of the West German Federation of Chambers of Trade and Industry, when he over more than a decade.

was asked at the Lelpzig spring fair about the impact of the That is not to say that no U.S. deals of significance have suffered. Three have. They are the Armco participation in a \$350m scheme to build an electric arc steel complex 550 miles south of Moscow, Alcea's participation in a \$100m smelter project in Siberia and Nearly three months after (hardly a high technology item, but recently roped into the ban) Occidental'a \$20bn contract to supply 20m tonnea of superphosphoric acid fertiliser to the Soviet Union over 20 vears in return for Soviet supplies of ammonia.

Some uncertainty surrounda the eventual outcome of all these projects. Armco had been given until the end of last month by the Russians to get Its export licences; it says It could not get them and was, along with its partner Nippon Steel, out of the contract. Alcoa still says its part in the Siberian joh is "suspended" and will not answer questions about whether it might come back in again in the future or whether its partner, Klockner of West Germany, is prepared to go ahead without it.

Supping with the Devil

Occidental ia publicly aggrieved at the Presidential han and Mr. Armand Hammer. the company's 81-year-old chairman, went to Moscow to see President Brezhnev to ask him firmed in Washington that U.S. not to cut off the ammonia policy towards Eastern Europe supplies. Mr. Brezhnev responded with an indication that the ammonia would continue to lors in Western embassies in arrive and with a long analysis Eastern Europe were saying that of the Afghan situation argutheir governments would allow ing that the Russians might pull out if the Americans agreed not ducts in East Europe. In Leipzig to interfere and made aure that one of the said simply: "We Pakistan remained similarly are not in a position to know quiescent. When Mr. Hammer came home with this message he was treated in the media like someone who had supped with the Devil and become tainted in the process.

As with the grain embargo and the proposed Olympic boycott, the pain which President Carter's specific trade measures can inflict on the Soviet Union depends on the active participation of America's allies. So far the degree of support seems inadequate. Businessmen in Europe and Japan are extremely amounted to only \$600m, of One Italian businessman com-which perhaps one-third were mented recently: "Sanctions are classifiable as high technology, all very well if everyhody and \$200m does not buy much applies them. But we are certainly not going to risk seeing an important contract which we The sense of stage manace- have been negotiating for many han was announced Mr. Philip France will now win the Soviet Klutznick, the Commerce Sec- steel contract, although the

4000 Million Roubles SOVIET FOREIGN TRADE THIRDYCI (IMPORTS + EXPORTS)

ago that it had not re-opened fourth parties in other coun-discussions on the contract tries. In rapidly-developing, discussions on the contract tries. since losing to the Armco-

The cost of pursuing tougher action against the Soviet Union was illustrated a fortnight ago; awarded contracts worth \$118m to two French companies for fahrication yards to build oil riga for the Caspian Sea. The deal was the first major Soviet commercial decision since President Carter announced trade sanctions. British experts on Soviet trade aay that the failure of more exconsortium and one U.S.-based -reflected Soviet reluctance to

high-technology areas like com-Nippon steel consortium last puters it is also often possible to substitute suitable non-U.S. items for emhargoed compo-

export licensing rules.

How successful CoCom can he

in perfecting the trade weapon

is open to doubt. Three years

ago a top-level Pentagon advisory group in Washington, the Defense Science Board

reported that controls had

broken down because "CoCom

members have perceived less

of a need to maintain strict

controls while the opportunity

for individual gain through

at conscious violations of CoCom

agreements, and recommended

further undermine joint action.

report demanded,

This was done in the celebrated case of a U.S. deal atopped hy President Carter In dissidents in the Soviet Union. TASS, the Soviet news agency, was to have bought a computer from Sperry Univac to meet its needs for the Moscow Olympics. Despite U.S. pleas, the French company CU - Honeywell - Bull then hid for the contract along with others, getting round any restrictions on an American

Special assessments by CHRIS SHERWELL in London, IAN HARGREAVES in New York, LESLIE COLLITT in Berlin, ROGER BOYES in Bonn, PAUL BETTS in Rome, and TERRY DODSWORTH in Pans.

deal with these two countries while they are taking a tough line over the Afghanistan in-

A representative of the U.S. company emphasised the point in Leipzig: "If the Soviets don't get the equipment from us, the French or the Japanese will offer them an equivalent pro-duct. Take my word for it, the entire embargo is unenforce-

products have a clear techno-logical superiority over Western competitors, non-American inprivately that regulations can chain of sale using third or member countries apply similar measures.

Honeywell computer by offering a French equivalent. In what now looks like an important precedent, the company won the Soviet order.

Plainly Western businessmen will only comply with an embargo if they are obliged to their Governments. It also entails baving some means to enforce the ban. At the moment the prospects look poor.

Paris, the meeting-place of the 1975. The two countries have Consultative Group Co-ordinat- agreed to work for a similar is not encouraging whether termediaries may he able to secretive committee of officials, years, circumvent restrictions by buy- from NATO countries plus Fran ing the embargoed equipment Japan, co-ordinates national conand re-selling it to the Soviet trols on exports to the Soviet Union. Although a re-export Union, Eastern Europe and interest in commercial contact licence from the U.S. may be China in order to provide a with the Soviet Union, because necessary, businessmen say measure of Western confort of its peculiar strategic posimity. It maintains a list of tion and the vulnerability of he hy-passed by extending the restricted products for which West Berlin to Soviet counter-

West Germany is the Soviet Union's biggest trade partner. Its exports to Russia were up 3fi per cent last year and imports up 5 per cent.
Italy, another of Moscow's

major trading partners buying Soviet oil and gas, has been even more open in its post-Afghanistan dealings than either France or West Germany. Less than three weeks ago the Soviet Deputy Foreign Trade Minister, Mr. Vladimir Sushkov, signed a \$1.5hn 10-year collaboration agreement in Rome with the Montedison chemicals con-glomerate. The agreement incindes a deal for the construction of seven chemical plants in the Soviet Union worth a total

The Soviet Minister also had "informal" consultations with Italian Cabinet ministers about a new \$Ihn credit at non-coma new shift ctent at hon-commercial rates to replace a \$650m credit line which had been largely used up.

Such trade has not only helped create the Soviet industrial machine, it has indirectly

helped the country's military huild-up as well, by releasing resources. Against this, however, anti-Soviet hardliners are faced with the argument that the Soviet Union offers importsectors of industry in individual countries large and reliable orders, and that to retaliate now would jeopardise the business which cheap credits

Impossible to

the aale of technology to Communist countries has increased." It hinted strongly The Italian atance is in strong contrast to the position taken by Mrs. Thatcher's Government a tightening of controls, in par-ticular to curtail the transfer of Britain, which has made great play of a decision not to renew the £950m credit line vital design and manufacturing negotiated by the previous Lahour Government in 1975. Since then there has if anything been a relaxation in East-The impact of the UK stand West tension and a growth in overall trade up to the invasion has been questioned, partly because the move was being conof Afghanistan. It seems unlikely sidered before the invasion of that CoCom's restrictions will Afghanistan, More importantly the real penalty it inflicts on the Soviet Union is small—a bave been enforced more strongly—as the 1976 Protagon 7.25 to 7.75 per cent OECD con-CoCom's rules are being sensus interest rate range, as reviewed following the invasion. against a 7.1 to 7.45 per cent The U.S. is listing detailed pro-The U.S. is listing detailed proposals for the committee's conpreviously available for Soviet sideration, and the process is trade). This still offers Moscow expected to take months and so a better rate than is available to Britisb companies.

Before Afghanistan In public, France, West Gerwas some feeling in the West many, Italy and Japan each take a soft line about the embargo that it made no sense to offer controversy. Part of the reason the Soviet Union heavily sub-is the sheer growth in trade. In sidised credits, and this view the case of France trade turn-may since bave been reinforced. over with the Soviet Union rose But joint action in this field by per cent last year, and has competing economies is another The history of trade boycotts

ing Committee, or CoCom. This increase during the next five against the Soviet Union, as attetopted in 1962 by the NATO France likes to pursue an alliance, or against Rhodesia independent line, but West after UDI in 1965. Boycotts have Germany has a similar vested rarely worked, proved nearimpossible to police and heen costly to those imposing them. For the moment there seems little reason to believe an emhargo against the Soviet Union will he any different.

MEN AND MATTERS

Deia vu at Milford Haven

EVER SINCE Lord Nelson mentioned in dispatches that Milford Haven was the finest deepwater harhour in Europe. there has been no shortage of entrepreneurs eager to exploit its natural advantages.
In the late 19th century there

were plans to turn this aleepy Welsh baven into a major trans-atlantic passenger port. These came to nothing, as did plans to turn it into a key iron-ore terminal, and for the last few decades the Milford Docks Company, one of Britain's few quoted statutory undertakings, has subsisted on little more than fishing.

For years the company Boardrooms bas echoed with arguments as entrepreneurs have come and gone with their schemes to transform Milford. Only recently a collection of investors headed by former Slater Walker prodigy Richard Eldridge tried to gain control of the port. This failed, but since then the Milford Docks Board has come under increas ing pressure from sharebolders demanding to know why they should be expected to continue to provide support in the light of the organisation's unimpressive financial record.

Now, details of Milford's future plans have begun to leak out and I am duly impressed hy their amhitious nature: the plan the likes of which London or Liverpool would be proud to

information courtesy of Milford's chairman, Charles Smith, who volunteered it to the local planning authority when he was asked for a full explanation of why he wanted to huild a new road to the docks. With only the sketchiest of details on financing. Smith explained in a memo that "having passed the first century of use, I believe the time is therefore ripe to plan for the next century."

But while Smith and his



cohorts look steadfastly to the future, I fcar I cannot resist reflecting (and being overcome with a sense of dejn vu) on Nelson's ageing commendation and events aince.

Bitter relations

How heartening to see some healing, however marginal, of the rift between the beards and denim and blue-rinse and good works ends of the beer husiness. Although the factions represented by the Campaign for Real Ale and the National Union of Licensed Victuallers are still poles apart on most political and practical issues, they have begun to co-operate in promising fashion on a scheme to increase off-sales

from pubs. The idea is to revive the time-honoured tradition of taking home draught beer in a sauccrcovered jug for consumption in slippered comfort in front of

A trial run by CAMRA Real Ale Investments in its seven

aways could account for 2-3 per fined should they he so careless cent of heer sales. This bas intrigued the conventional landlords who want to increase their tiny share of the profitable takeoperated happily on the groundwork and ore now. I hear, ready to sit down for formal talks

While I assume the jug will still be welcomed in the snug, the landlords hope to improve the attractions of their notion by introducing a dash of modern technology. For the benefit of the jugless they plan to keep a stock of four- and eight-plot plastic containers for sale behind the har among the nuts. souvenirs of Benidorm, and pork

Pasta Joke As recent extensive exposés

of the black economy have shown, today'a Italian is not possessed of an overwhelming sense of civic responsibility. Dodging taxes, fines or other bureaucratic levies is on most levels of society regarded as a civilian's "right." The authorities, however, are taking a nincreasingly hard line, as is evidenced by new moves to extract value added tax from the restaurant irade.

As seasoned expense account travellers will have discovered, persuading a restaurauateur to part with a proper receipt is out the easiest of tasks, since every vatted bill has to he matched with a contribution from the restaurant owner to the govern-

However, a new regulation

has just come into force which transfers much of the burden of responsibility to the man who always seems to pay in the end —the consumer. No one eating in a cafe or restaurant, the rules now say, must leave with-out a numbered receipt complete with VAT charge. show it means husiness the Government has said that from troduced and diners will find pubs suggested that jug take- themselves and their hosts

as to depart without their

Mining for greens The inhahitants of Sudbury,

Canada, no longer raise their eyebrows at the sight of whitecoated men emerging from the depths of International Nickel's worked-out Creighton mine, bearing lettuces. radisbes and the occasional tomato.

Loopy as the idea of growing salads 5.600 feet underground might seem, the Canadians buve been taking the notion seriously for some time. The Government has even chipped in £30,000 towards the cost of research. "We are cullivating about an acre down there at the moment," agriculturist Dr. Tom Peters tells me. The most important task at

present is perfecting the artificial lighting, crops being subjected to varying lengths of artificial "day" hrightened hy blenda of sodium, fluorescent and other forms of artificial

The logic of spending good money on artificial light for subterrancan horticulture in a country as hig and empty as Canada might not seem immediately obvious. But Peters claims light is one of the less impor-tant aspects of the project.

"In Ontario producing heat for winter vegetables represents 50 per cent of the cost. In the mines we can take advantage of 100 ft we go down the tempera-ture increases by 1 degree Fabrenheit. At 5.600 ft under-ground it's 95 to 96 degrees.

Outlook sunny

thinking man's graffito illominating the grim environment of Lelcester Square Tube station: "The only safe nuclear



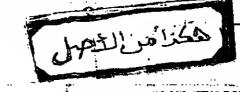
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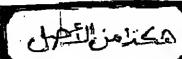


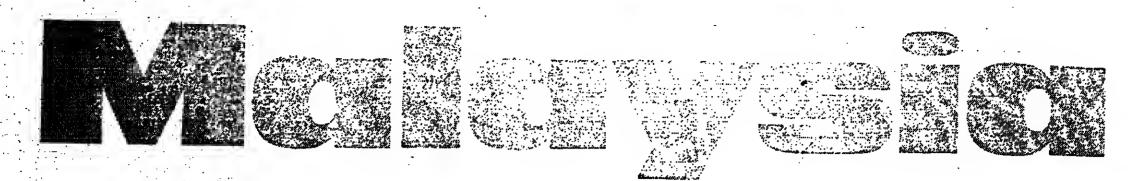
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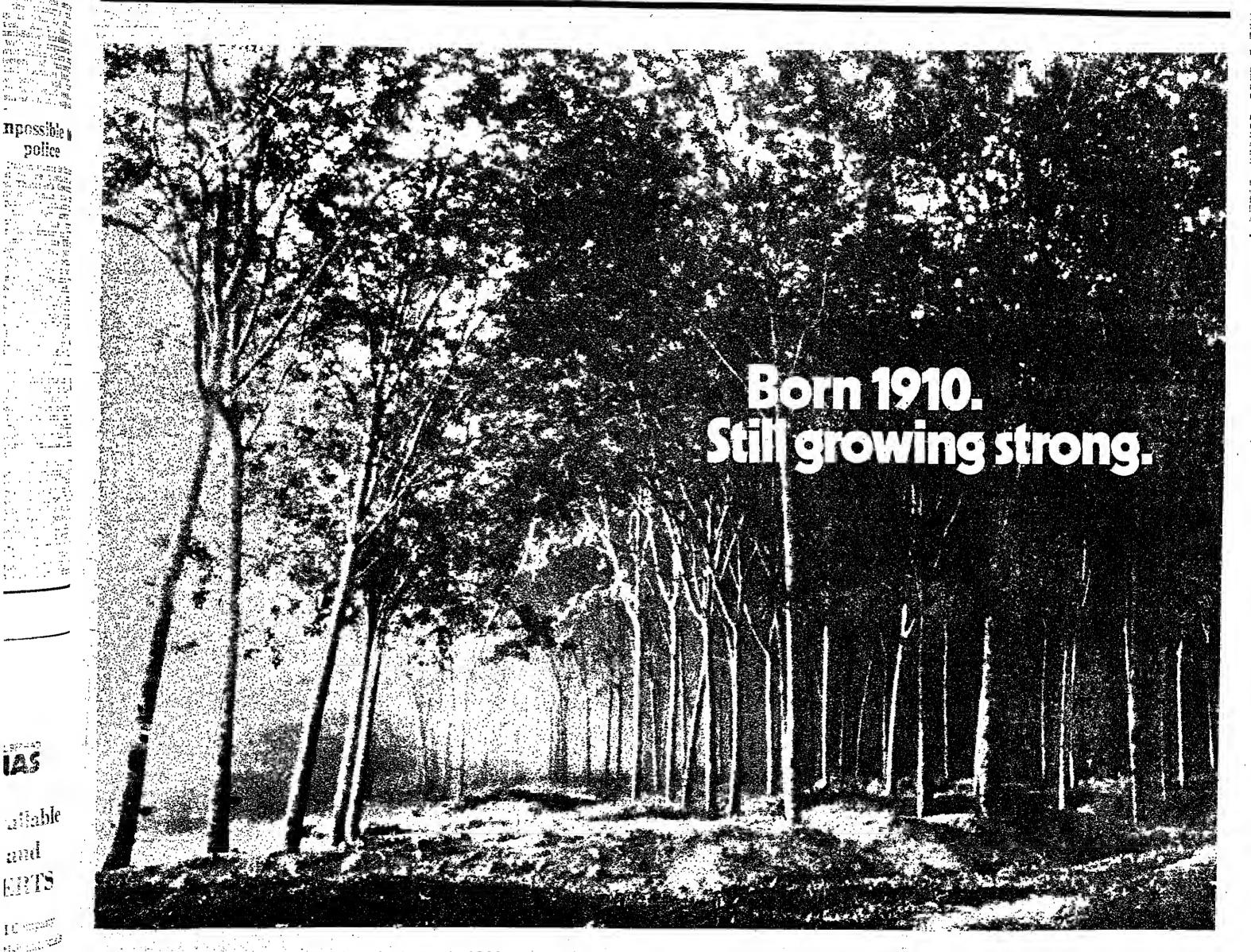
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Half way through its 20-year programme of social and economic changes Malaysia is reviewing its achievements so far. Efforts to integrate the Malay majority into the nation's mainstream, in business, education and other fields, are continuing. The economic mainsprings are still the plantations, tin mining and trade but the political climate has changed considerably, with Vietnam's policies in Kampuchea forcing Malaysia to take a crucial role in ASEAN, the grouping of South East Asian nations.



We started out in the early 1900s, managing rubber estates in Malacca. And we grew. Expanding and diversifying from our original base in tropical agriculture into all sorts of business activities spread around the globe.

Our home is Malaysia — one of the fastest developing countries in the developing world. We're Malaysia's biggest international company. And we're still growing.

Confident nation backed by rich resources

TO SEE Malaysia growing rapidly more prosperous, and its people growing steadily more self-confident at a time when most countries around the world are swamped with inflation and girding themselves to face economic recession, it is clear that the gods have smiled on this bountiful nation.

Malaysia's wealth tradition-

ally rests on five basic commodities, of which it is the world's leading supplier. The world relies on Malaysia for almost 60 per cent of its palm oil, more than 50 per cent of its rubber, 40 per cent of its tin and most of its pepper. Malaysia also exports mora timher than any other country. As if this was not enough,

Malaysia has discovered conthought to have some of the largest known reserves of natural gas. Income from the export of oil and gas is expec-ted to overtake rubber this year the country's most substantial earner of foreign exchange. Benefiting from rocketing oil prices, Malaysia bas also seen the price of its other leading commodities settle at record levels during the past year. Export income bas risen by 40 per cent and terms of trada have leapt by 14.5 per cent. The economy has managed to sus-tain GNP growth at a steady 8 per cent during tha past five

The country bas managed for a number of reasons to put its wealth to good use. It is blessed with bonest government, a nonpolitical army and a police force with no tradition af corruption. The bureaucracy, while it is growing faster than many would like, is relatively efficient and is also relatively corruption-free. A pragmatic approach to economic development and to fereign investment bas paid dividends. Just as Malaysia has been

blessed with natural resources, some would say it has been cursed with the most precarious

called Bumiputras. Of the rest, 35 per cent are Chinese and 11 per cent are Indian. Most of these were either pushed oot of fallen steadily, and the refugee their own countries to seek a problem bas evaporated as a fortune wherever they could, or were brought into Malaysia by plantation owners as a source of cheap labour.

	1979	CONOMIC	PERFORMANCE	. ·	
	P	ercentage increase on 1978	-		Percentage increase on 1978
GNP per capita	Ringgits 3,184	+ 8.3	External debt	R4.52bn	+17.1
Gross exports	R24.02 bn	+40.5	Debt service	R1.24bn	+11.4
Gross imports	R17.06bn	+25.0	External debt service ratio	1.8% (1978= 3.8%)	
Merchandise trade surplus	R6.57bn	+83.51	Total employed	4.7m	+ 3.6
Current account	R2.27bn		Unemployment rate	6.1% (1978= 6.2%)	
Overall balance of payments	R1.79bn		Man-days lost due te strikes	24,900 (1978 = 35,000)	
Reserves at Dec. 31	R9.22bn (seven mths.' imports)	. —	Prime lending rate	7.5%	
Tarms of trade		+14.5	£=Ringgit 4.85		

sentment is based on the concentration of wealth in the bands of the highly-competitive and entrepreneurial Chinese community. The Malays, by contrast, make up most of tha rural poor and over time they bave nurtured a fear of being overwhelmed by others in their

The bloody race riots of May, 1969, in which many Chinese were killed, are still vividly recalled. They form a watershed in the history of independent Malaysia. Most government policies—most important of them the new Economic Policy (NEP) designed to discriminate in favour of Bumipatras to redress inequalities and divisions in society—have their roots in the events of May, 1969.

Appalled

Wariness about latent racial tensions was a major reason wby the Government of Datuk Hussein Onn pushed the panic button in June last year after 75,000 "Boat People" refugees from Vietnam had arrived on their shores. Western governments, unattuned to Malaysia's domestic racial problems, were appalled to see coastal patrol

25,000 refugees in camps on its east coast. The number bas domestic polltical issue.

The New Economic Policy, a

siderable reserves of oil and is and identities. The deepest re- balanced distribution of races as loud as ever. culture and industry, for spread-depressed by these rumblings, ing ownership of the nation's bowever. Mr Tengku Razalaigh industries more evenly, and for Hamzah, the Finance Minister, providing better educational conceded recently: "The long-opportunities for the Malay term structural changes that are

> In all of these fields it has made progress, particularly in providing tertiary education for Malays, and in redistributing equity ownership in Malay com-panies. In 1970, Malays owned only 2.4 per cent of the nation's equity capital. Foreigners owned more than 63 per cent, while Malaysia's Chinese and Indians owned the rest.
>
> The aim is to boost the

> Ina aim is to boost the Biniputra share to 30 per cent, with 30 per cent for foreigners and 40 per cent to be shared among the rest. By now, the Buniputra share has been lifted to 16 per cent, mostly at the expense of foreign interests, whose equity share has been trimmed to less than bas been trimmed to less than 44 per cent.

Unfortunately, most of the Bumiputra share has been taken up by institutions since few Malays can afford to invest in tbeir own right, and it is still not certain bow the institutions will eventually disburse their holdings.

quickly inflame the simmering tacial tensions.

Of the 13m population, only 133 per cent are ethnic Malay—called Bumiputras. Of the rest, 35 per cent are Chinese and almost certain death.

Nevertheless, the crisis tactics worked. After the refugees, and the Western in heavy industries such as steel mills, aluminium plants and them. Malaysia now has fine to provide plants into the Fourth Plan period, from 1981 to 1985, will be on rapid development of rural infrastructure, investment in heavy industries such as steel mills, aluminium plants and provide plants. sbore oil.

In salte of progress-perbaps even because of lt-raclal tensions bave increased rather than dwindled. Chinese demands for better educational opportunities 20-year programme launched in and for a Chinese language uni-1970, is now baif complete. Its versity—Merdeka—persist Com-aims are for a more even distri-plaints about discrimination in separate languages, traditions bution of wealth, for a more recrultment and promotion are The economic cake has expanded rapidly enough for the Malays to win a bigger abare without the minority groups be-

The Government's awareness of the resentment it has provoked explains its rather nervous marriage with democracy. Polls are regular and counting is fair, but the National Front coalition led by Mr Datuk Hus-sein Onn'a United Malay National Organisation (UMNO) has kept electioneering under strict control while at the same time keeping close tabs on the

Internal security laws in Malaysia are severe, allowing indefinite detention without trial. Executions for possession of firearms—in other countries by no means a capital offence-are

This is in part explained by the much-publicised threat from Communist infiltrators. Government troops are fighting a con-stant jungle war against Comnorthern border with Thailand, but many feel that the estimated total of 3,000 insurgents does not justify such barsh security

Nervousness is nevertheless

the complete expense of the heightened by regional instabl-Chinesa and Indian minorities. lity—in particular tha war for The economic cake has ex- control of nearby Kampuchea. As a prominent member of the non-aligned movement, Malaysia bas been extremely cautious about pointing a blaming finger. But with other members of ASEAN (Association of South East Asian Nations) it feels immediately threatened.

Recognition

The Government therefore has found considerable comfort in the tremendous volume of international support declared over the Kampuchea conflict. The diplomatic traffic through Kuala Lumpur bas been dizzying, and was crowned recently when EEC Ministers gathered in Kuala Lumpur to give formal recognition to ASEAN.

EEC and ASEAN Ministers signed a joint statement in which ASEAN was given full backing for any policy initia-tives it decided to take on Kampuchea. Ministers also strongly condemned the Soviet munists along the country's invasion of Afghanistan-which may seem distant from the in-terests of south east Asia but the issue is of considerable emotional importance to a self-consciously Moslem nation such as

A resurgence of Islamic fundamentalism, capitalised upon by the Parti Islam, has given the Government its share of worries. There have been signs within the dominant UMNO of more militant Islamic murmurings, and there is concern in case this might force the Government from its moderate and even-handed course of trying to amalgamate all sec-tions in society in the cause of national unity.

These niggling worries apart,

most indicators seem to be set fair as Malaysia enters the

aecond and final decade of the

national economic policy. Amid worries over lethargic private investment, continuing inequaliinflation, there is an overriding sense of continuity and stability. Malaysia is better off than it was a decade ago, and the people know it. They also feel confident

that things are likely to get better still. There are many who argua that the tyranny of poverty in developing countries can be escaped only by delivering the State up to the tyranny of authoritarian rule. Malayaia is living proof that this need not

David Dodwell



Datuk Hussein Onn:

close tabs	on the media
BASIC S	TATISTICS
Area (peninsular M	127,315 sq m (alaysia 50,806 sq m)
Population	12.96m
GNP (1978) R34,6	08m (£7,785m)
Per capita	R2,670 (£601)
Trade	(1078)

Trade (1978) Imports: R13,690m (£3,079m) Exports: R17,094m (£3,845m) (1978) Imports: £199.93m Exports: (1979) 1mports: Exports: £221.49m Currency: Ringgit £=R4.85

Race is crumbling keystone of politics

TO TALK of politics in Malaysia ls to talk of race. Political parties either represent racial groups or are fragile coalitions of racial interests.

The Government is not overly

taking place tend to cause some

feeling, disruption and aliena-tion. This is unavoidable (since)

economic restructuring raises

social, racial and even political tension in the sbort term."

Mercifully, the nation's com-

modity wealth bas ensured that

redistribution bas not been at

Most policies are aimed at reducing racial tensions. Racial differences are the basis of tha present Government's power and at the same time the source of most of its problems.

The National Front Government, a coalition of 10 parties led by the United Malay National Organisation (UMNO), would seem impregnable. In the general elections in 1978, it swept the board, winning 131 out of 154 seats in the House of Representatives. At the same , it won majorities in all 13

of Malaysia's state governments. Despite this apparent strength, the National Front is a frail creation. The dominant interests. Its coalition partners bave narrow racial bases but rely beavily upon the patronage of UMNO for the few parliamentary seats and Government offices that they hold.

the present Government to defuse the racial issue, but after only indigenous but poor. The more than a decade of sincere fear of being overwhelmed by effort in this direction, no one others in their own land created

racial mix: about 53 per cent of the population is ethnic Malay, with about 35 per cent Chinese and about 11 per cent of Indian origin.

Sucb an even balance would be manageable were it not for the fact that racial differences UMNO is loudly committed to coincide with differences in national unity, but in fact bas wealth and profession: the national unity, but in fact bas wealth and profession: the turning point. Democracy was a deep and continuing commit- Chinese, closely linked with suspended for three years and

ment to furthering Malay business, hold most of the the New Economic Policy (NEP) between the plantations and the professions.

In the words of Dr. Chandra Tha whole political com-Muzaffar, an academic at the munity is ossified along racial University of Penang, the lines. It is the declared aim of Malays were left with "the fear of a community that was not can confidently claim that it a sort of anxiety, a sort of will succeed.

The problem lies in Malaysia's parallel."

Turning point

Race riots in 1969, in which Malays attacked and butchered Chinese who had been rash enough to celebrate electoral success with too much enthusiasm, marked the political turning point. Democracy was suspended for three years and

country's wealth and are con- was introduced with the single centrated in the important aim of discriminating in favour urban centres; tha Indians split of ethnic Malays to give them a more equitable sbare in the wealth of their own country.

"It was to protect an economically weak indigenous community from being overwhelmed by what was perceived as an economically strong per cent.
immigrant community," said Dr. At preser Muzaffar.

National Front committed itself totally to improving the lot of the "Bumiputras"—the "sons of the soil," according to Datuk Musa Hitam, who bolds tha important education portfolio." The very essence of the (Bumi) policy is discrimination. We have to lift Malays out of rice-growing area in the north-

educational opportunities for Malays, and ensuring that atake in the nation's growing commercial and manufacturing sectors. In 1969, "Burnis" owned just 2 per cent of the nation's business. It is intended that by 1990 they will own 30

At present, the nation is in a political hull. Not only does the ruling National Front coalition have an unassailable grasp of parliamentary power, but until 1983. However, two by-elections, one held last December in Port Klang, west of Kuala Lumpur, and a second, to be

BE MOVED BY THE SPIRIT OF MALAY



The Place: An open-air cafe, Kuala Lumpur, Malausia. The Occasion: Sharing a meal of 'satay', delicious barbecued mini-kebabs, Malaysian-style. The Diners: Aini and Ahmad, cabin crew members,

Let them show you the same warmth. Just north of the Equator, right at the heart of Southeast

Asia. With Thailand to her north, Singapore to her south.

Malaysian Airline System.

Average daily throughout the country: 21°C to 32°C. Hill resorts cooler; from 18°C to 24°C.

1312 million Malays, Chinese and Indians: a people hubbling with warmtb and friendliness: 3 great Asian cultures blending harmoniously into one pulsating potpourri of different lifestyles.

The Language: Official language is Bahasa Malaysia, but English is widely spoken and understood throughout the country.

Accommodation: Some of the best botels in Asia, ranging from luxurious international hotels to government rest-houses and holiday bungalows. Prices in first-class hotels: averaging £13. The rest of the range: averaging from £4 to £9.

The Place: Penang, Pearl of the Orient, Malaysia. The Occasion: A family outing.

The Father: Basir. chief steward, Malaysian Airline System. Let him show you the same devotion.

KUALA LUMPUR/MALACCA REGION Kuala Lumpur, the capital city alive with an endless maze of colour. The people, the food, the sounds all blend to give an enchanting "Little Asia" image. And if you'd like to step back into history, there's Malacca town, just about 90 miles to the

south. Or if you'd rather travel north instead, you'd find cool refreshing hill resorts set bigh admist lush, green tropical jungles PENANG/LANGKAWI REGION Just a 35 minutes' flight north of Kuala Lumpur is Penang. The "Pearl of the Orient", a tropical island abounding with miles of golden sandy beaches; with a fascinating array of souvenirs in the shops; with sights that hold you spell-bound, like the awe-

Ocean, lies Langkawi. A group of 99 islands scattered in splendid solitude, where beaches, coves, lagoons and lakes are shrouded with ancient myths and legends. EAST COAST REGION A timeless paradise accessible by air or road from Knala

Lumpur or Penang. Sunny skies, clear blue seas, white sandy beaches where giant leatherback turtles come to lay their eggs

inspiring Snake Temple. And further up north, in the Indian

The Place: Kota Kinabalu, Sabah, Malaysia. The Occasion: Celebrating the Kadazan harvest festival.

The Dancer: Freda, stewardess, Malaysian Airline System. Let her show you the same grace.

The Place: East Coast, Malaysia The Occasion: Patiently wcaving "kain songket", exquisite Malaysian silk sarongs interwoven with gold or silver threads. The Daughter: Zakiah, sicwardess, Malaysian Airline System Let her show you the same patience.

since time immemorial. And in idyllic villages by the shores, se mastercraftsmen at work on silver and bronze; buy exquisite batik and sarongs in threads of gold; watch men fly giant kites, spin giant tops; enjoy authentic Malay arts, craft and culture.

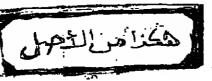
SABAH/SARAWAK REGION A two hours' flight from Kuala Lumpur will take you to Kota Kinabalu, Capital of Sabah. And here your sojourn in adventureland begins. Trek through the primeval beauty of jungles over 100 million years old; climb Southeast Asia's highest peak; visit orangutan sanctuaries. Then moving on to Sarawak stay in longhouses with friendly descendants of the head-hunters of old; go shooting the rapids; or delve into mysterious caves to trace the origins of man.

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the Middle East and Europe where the growing list of the Middle East and Europe where the growing list or destinations now includes Amsterdam. With 4 weekly London-Kuala Lumpur flights in the United Kingdom. MAS offers more direct services to Malaysia than any other airline. Within Malaysia itself MAS flies to 36 destinations including all major holiday resorts.



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Security Control of the Security Securi

Foreign policy dominated by Kampuchea conflict

MALAYSIA'S bopes that South. It is a fear they feel them reminiscent of the courtship of niggling row between the two East Asia can be moulded into selves. The Malay government ASEAN that took place in 1978 countries over joint operations a "zone of peace and neutrality" was quick to condemn China's when Deng Xiaoping, China's against Communist insurgents bave been buried in Vietnam'a 15-month-old struggle for control of Kampuchea. The conflict the Vietnamese a lesson or not. continues to dominate all poliMaleysia, and in particular its tical relations in the region, and flamboyant Home Minister Tan with no hint of a political solu- Sri Ghazali Shafe, take much tion in sight, the Government of the credit for solving the of Prime Minister Datuk "Boat People" crisis, though Husselm Onn has begun to re at the time its harsh and condefine its attitude towards the troversial stance was vehemently countries involved.

As a front-line state, Malaysia feels immediately threatened by Vietnam'a military presence in Kampuchea. And as a country at the heart of ASEAN (the Association of South East Asian Nations, grouping Malaysia with Thailand, Singapore, Indonesia and the Philippines) it is also acutely sware of the threat to atebility in the wider region:

One senior Malaysian Foreign Ministry official said recently: " A neutral Kampuchea is fundamental to lasting peace in tha area. Without this neutrality. South-East Asia is doomed to instability: it will again become a battleground for the super- refugees trying to come ashore.

Datuk Hussein Onn's Government la adamant that bridges Mahathir had in fact said with the Vietnamese Govern-ment should not be burned, and so has maintained a steady diplomatic souttle between Hanol and Knaie Lumpur. But the events of the past year bava undermined Maiaysia's faith in Vietnam's willingness to negotroi of Kampuchea.

Tough minded:

Ministers have become sadder months later, the moratorium is and wiser as they beve found their sympathetic diplomacy nations, for their part, promised exploited by Vietnem's toughminded leaders. While still formally committed to finding an early negotiated settlement to the hattle for control of Kampuchea, Malay officials confidentially fear that. Vietnam will come to the negotieting table only after a long, slow war of attrition has sapped its energy

Following the unproductive visit to Hanoi in February by Tengku Datuk Ahmad Rithauddeen, Foreign Minister. One senior official said: "It is dan-gerous to make any assessment about Vietnam's willingness to stop fighting, but we now feel we must be prepared for e long.

case when Vietnamese troups. Vietnam in February.

lightning invasion into northern Vietnam, whether it was to teach

criticised in the West:

In June last year, with 75,000 refugees already on Maleysian soll and new arrivals touching 20,000 a month, the Malaysian Government set off the alarm bells. Annoyed at what it felt to be the self-righteous complacency of the West, the Government said it would accept no more. It started towing refugees on newly arrived boats back out to sea-some of them to certain death.

Dr. Mahathir Mohammed. Deputy Prime Minister, made the "misquote" of the year by threatening to "shoot on sight" Tan Sri Ghazali Shafie later imaginately clarified that Dr. "Shon," but the damage was

Without thia precipitate actim, the July Geneva conference on refugees almost certainly would not have been convened so promptly. - Nor would it have been gaivanised in reach a lasting solution. Vietnam, faced with almost universal condemnation, agreed to halt the exodus for six months. Nine months later, the moratorium is nations, for their part, promised to accept refugees for resettlement at an accelerated rate. Maiaysia now bas just 25,000 Lumpur three weeks ago not refugees, and all will bave been transferred to permanent homes stone in the grouping's progress in the West by the end of the towards political maturity, it year-provided the flight from Vietnam is not resumed.

Malaysia's success in forcing compromise on the Vietnamese on this issue fuelled confidence that the conflict in Kampuchea could also be solved by mediation Vietnam has refused to budge. Its troops are es firmly entrenched in Phnom Penh as they were a year ago.

Malaysia's declining faith in Vietnam bas been reflected in haul."

This represents a significant Vietnam's most vehement critic. shift, since of all the ASEAN as early as last May, Datuk member states, Malaysia (with Hussein Onn visited Peking, Indonesia), has bent over backwards to give Vietnam the benefit of the doubt. This was the so soon after its invasion of

senior vice-premier and Pham along their shared horder. Van Dong, Vletnamesc Prime Minister, visited the capitals of

the region in close succession. Maiaysia'a leaders are un-Their non aligned image is very precious to them. They sincerely fear south east Asia being turned into a "hattleground for the big powers," and would like to keep them all at orms' length. For this reason, Maiaysta has strongly opposed proposals that



Tan Sri Ghazali Shafie: harsh stance

ASEAN should offer military assistance to the resistance forces in Kampuchea.

The one gond thing to come out of the Indo-China conflict is a much closer relationship between the member states of ASEAN. The formal establishment of links between ASEAN and the EEC at a Foreign Ministers' summit in Kuala only marks an important milealso crowns a year in which Malaysia has held the chairmaoship of ASEAN.

Apart from Indo-China, the Soviet invasion of Afghanistan was also bigh m the summit agenda. While this conflict is many thousands of miles away, its implications were strongly feit by ASEAN members-particularly in the self-consciously Mosiem state of Malaysia.

For all the progress made towards political unity in progress greater economic co-operation and free trade inside the region bas been slow-some would say disappointing.

· Bilateral . relations have elways been smooth. The first poured into Kampuchea: Huang Hua, Chine's Foreign Malaysian Government is greatly claim that this was in relation in Knala Lumpur just two weeks bility in Thailand end was against Khmer Rouge incursions ago on a hastily-arranged tour, visibly relieved at the peaceful into Vietnamese territory.

In addition, Maiaysians have always had sympathy for Vietnam's new Foreign Miringovernment of Gen. Prem. This pam's obsessive fear of China.

Over the year, Singapore bas given Melaysia some anguished moments. The Singaporeans are seen as the hawks in ASEAN. likely to shift far however. They have been persistent and uncompromising critics of Vietnam, causing genuine embar-rassment to the more pragmatic foreign policy planners in

> Age-oid territorial disputes still niggle in relations with the Philippines, but similar disputes with Indonesia have not pre-vented a close relationship being built up. President Subarto of Indonesia spent two days talk-ing to Datuk Hussein Onn at the end of March. The two leaders are understood to have discussed refugees, the situation in Indo-China shead of a rumoured visit in Hanoi by a senior Indonesian Minister, and the possibility of diplomatic relations being established between Indonesia and China.

Outside the region, Malaysia has not only played an important role in the non-aligned move ment, but aisn in the Islamic movement—particularly at the summit convened in Islamabad in February. Traditionally, warm relations with Egypt have forced on Malaysia the important but invidious role of piegy in the middle between Arab moderates and hardliners particularly over the Palestiman

Malaysia's special relationship with Britain took a bruising when the Conservative Government decided to increase fees for foreign students at British universities. Malaysia seends about 5,040 students a year to Britain and there is little noubt that the jump in fees will divert many of these to universities and cotleges in other countries.

Revulsion

Britain's decision to withdraw recognition from the Pol Pot regime in Kampuchea also upsei the Malay Government. ASEAN member states feel strongly that in spite of their revulsion at the genocidal rule of Poi Pot's Khmer Rouge Government, continued recognitions is one of the few bargaining counters left to then, in negotiations for Vietnamese withdrawai from Kam-

However, Maiaysia shares with other ASEAN countries reservations about the "Pacific community" concept. There is a nagging fear that such a com-munity, if it were to become an organised and properly-constituted entity, would oversbadow end perhaps overwhelm ASEAN itself. It is seen as a possible vehicle for economic and political domination of the region by superprivers such as the U.S., Japan and perhaps, eventually,

David Dodwell

Race in politics

The aeat in Port Klang fell Front's Indian candidate won vigin on the death of Transport the poil but not without a heavyweight election campaign heavyweigh

Minister Datuk Hussein Onn was Parti Islam. under strong pressure to appoint

a fresh MIC candidate to fight
the by-election on a National
Front ticket. However, the
Malays in the constituency why Malays in the constituency, whn mada up more than 50 per cent of the electorate, were demanding a Malay candidate. In addi-tion, the opposition Democratic Action Party (DAP) with strong roots in the Chinese community.

hed been active in the constituency and stod to gain if the stituency and stod to gain if the region bave seen their real incomes decline since 1975, and

Two worries

didate, faced two worries: Maiay payment system, feit their invoters might defect to the Malay comes had been cut rather than voters might defect to the Malay comes had been cut rather than chauvinist Parti Islam, a party increased which has made strong gains. By an unfortunate coincisince the resurgence of Islamic dence, discontent over rice fundamentalism in the Middle prices boiled over into a major East. Second, a victory for the demonstration in January which DAP would boost the total of ended with an attempt to burn their parliamentary again to 17 down the state government. their parliamentary agats to 37, down the state government which would be equal to the headquarters.

number of seats held by the The outcome of the election

The DAP claims to bave the further erosion of support in support of 80 per cent of the what is seen to be a traditional Chinese in those constituencies stronghold. Second, the UMWO it contests, and argues with leadership in the National some justification that the MC 1 Front is concerned about the re-nnly boids the Parliamentary surgence of Islamic chauvinism. seats it does because of the Heavy defaat at Bukit Raya protection and patronage of the would put it under considerable protection and patronage of the UMNO. A victory for the DAP would endorse these claims and undermine the MCA's role as already voiced by leaders of the representative." of the Chinese community.

In the end, the National ent because Kedah is the home

candidate, and the Parti Islam. capdidate, and the Part Halland.

Capdidate, and the Part Halland.

This poor rice-growing state in the horder with Thailand, is the horder with Thailand, is the "Koram Beit". Since Port Klang was one of and the Bukit Raya constituency use "reserved" seats. Prime in the Bukit Raya constituency is a traditional atronghold of the inster Datuk Hussein Out was

are two reasons why the Parta Islam might do well again this time: first, it is campaigning under the banner of "religion, race and party," a call which could bave strong appeal amid a resurgence of Islamic funda-

comes decline since 1975, and were recently aggrieved by a bungled Government attempt to raise their rice incomes. Most Datuk Hussein Onn, finally farmers, confused by the intro-deciding to back an Indian can-duction of a complex compon

Malaysian Chinese Association, is significant for e number of the member of the National reasons. First, the Parti Islam Front coalition claiming to lost control of the state of represent the nation's Chinese Kelantan in the 1978 General Elections, and cannot afford

be a great hoost for the National Front, and a hlow for Islamic fundamentalism. A landslide victory for the Parti Islam would force the Government in repolish its pro-Moslem image. A marginal vic-tory for the Parti Islam is the most likely outcome.

Power base

Ona might think that with such a massive majority in parliament, the Government coalition could afford to shrug off such threats. But its power base is not as firm as it might seem. While it won 88 per cent of the seats in the 1978 elecof the seats in the 1978 election, it won only 50 per cent of
the votes cast. By contrast, the
opposition DAP won just 10
per cent of the seats with more
than 20 per cent of the vote.
Lim Kit Siang, leader of the

DAP, claims with some justification that bis party's electoral showing wonid bave been much stronger if electoral boundaries had not been redrawn so strongly in favour of the rural been a ban nn campaigning ahead of the election, for reasons of internal security.

The DAP threat is a real one. While it draws most of its support from the Chinese community, it is an avowedly multiracial party and had broad-hased support in most urban areas. The Gerakan, another member

of the National Front coalition, brids power by courtesy of UMNO, and can expect to fight

for its life against the DAP in the next elections. Lim Kit Siang feels confident that victory is within reach—unless the Government once again re-draws constituency boundaries. Against this background, the

UMNO leadership has main-

tained a nervous marriage with

the ontcome of the Bukit Raya mitted his DAP firmly to by-electinn was not known. support for buman rights, said:

"The National Front la making the the unions virtually part of the Government. As usual, they are over-reacting, and seem detar-mined to see conspiracy under the carpet everywhere they look.'

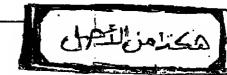
While the Government has set about discriminating in favour of the Malay majority, discontent among the Chinese and Indian minorities has con-tinued to simmer. Frustrations focus on the shortaga of university places as preference is given to Malay candidates, tn limited promotion prospects as companies strive to adjust staffing ratios in favour of Maiays, to reduced business opportuni-ties es access to land and work licences is reserved for "Bumiputras."

The saving grace has been the strength of the economy, which has enabled the Government to give Malays e bigger sbare of the cake without teking cake out of the bands of the Indians and

So far, economic success has bought time for the Covernelectorate; and if there had not ment, but her failed to soive its problems. By 1990, the Economic policy is supposed to bave resolved the besie conflicts, but as yet it is not clear how this will be echieved.

In the words of Tengku Razaleigh Hamzah, Finance Minister and a future contender for party leadership: " Economic restructuring inevitably raises social, racial and even political tension in the short term. It is generally accepted, bowever. that given the record of responsibie political leadership end prudent manegement of the economy, we should be able to continue to do well in pursuing our overriding objectives of national unity."

David Dodwell



FINANCIAL HIGHLIGHTS

	1979 In Million M\$1	1978 In Million M\$1	% Change
Total Assets	1,003.7	510.1	+ 96.8
Deposits & Borrowings	804.8	44 7.3	+ 79.9
Loans & Lease Receivable, Net of Provisions	658.4	345.9	+ 90.3
Shareholders' Funds	45.7	18.2	+ 151.1
Net Pretax Profit	5.1	. 3.3	+ 54.5

- During the year the Bank strengthened its capital base substantially through an issue of unsecured convertible subordinated loan notes to its shareholders amounting to M\$15,000,000 and a rights issue of M\$10,000,000 shares at M\$1 per share.
- The Bank was active as a lead-manager in syndicated loans internationally during 1979, particularly for two syndicated Eurodollar loans to the Government of
- The Bank has been very active in the development of bankers' acceptances and negotiable certificates of deposit in Malaysia following their introduction in May 1979. Turnover of negotiable instruments from May till December 1979 amounted to M\$1,276,575,000.
- Substantial progress has been made by the subsidiary, Arab-Malaysian Finance Berhad. Total assets increased 59% from M\$97 million to M\$154 million in 1979 and net profit increased 161% from M\$528,884 in 1978 to M\$1,380,010 in



البنك العربي الماليزي للتمية س.م. Arab-Malaysian Development Bank

Malaysia's largest Corporate Bank

US\$1 was approximately M\$2.1885 at 31st December, 1979.

Business in Malaysia? Go in with our knowledge on your side.



ECONOMIC INDICATORS

115.4

125.4

100.0

102.6

107.5 112.8

Wealth of resources an economic bedrock

MALAYSIA'S GOVERNMENT —all of which have been attracted in the last, continue to underestimate year—its coffers are brim full. the country's powerful economic performance. Their excuse is that some of the wealth is windfall profit from buoyant exporter of oil and gas. The commodity prices. But with few rapid recent rise in oil prices

crisis to another, Malaysia has biggest export earner in 1980; been firmly underpinned by its the associated rise in prica for remarkable wealth in basic synthetic rubber has boosted commodities. As the world's prices for Malaysia's natural largest exporter of rubber, tin, rubber. Latest figures for 1979 largest exporter of rubber, tin, rubber. Latest figures for 1979 palm oil, hardwoods and pepper show a 9.9 per cent boost in

Imports (cif)

5.911

1975

1976

1978

In addition, Malaysia is almost self-sufficient in rice, and most important of all, is a net commodity prices. But with few signs that prices will fall, they are already preparing to do their sums for 1980 again.

While other developing countries stagger from one economic crisis to another. Malaysia her biggers around a the single biggers around the stagger around the s

TRADE

(US\$m)

The

Merchant Bank

That Starts By Listening

Bumiputra Merchant Bankers Berhad

12th Floor, Bangunan Ming, Jojan Bulet Namos; P.O. Bex 890, Yucka Limpin. Telephone Nos: 299483, 299484, 299640, 299640 Cable: ROTHPURA Teleia MA30282.

Rubber

1.219

1.373

Total 3,844

5,289

6.078

Palm Oil

548

rubber output and a 29 per cent rise in export income.

Export values overall rose by

The surplus on current and capital account was Ringgit 2.27bn. Reserves stood at Ringgit 9.22bn at the end of the year, equal to seven months' imports. Terms of trade rose by 14.5 per cent in 1979, taking the improvement since 1975 to about 40 per cent. Gross Domestic Product, at 1970 constant prices, has risen Ringgit 24bn.

Petroleum

355

819

960

Exports
By main commodity
Tin Petroleum

502

The Government, true to its stick at their present levels for cent to counter a slowdown in conservative tradition, recog a longe period, then higher growth. This will allow public conservative tradition, recognises numerous worrying signs, however. Most obviously, com-Export values overall rose by nises numerous worrying signs, 40 per cent in 1979 to however. Most obviously, commerchandise trade surplus for so rapidly can equally well the year rose to Ringgit 6.57bn. widely predicted economic recession begins to bite among the western industrialised nations.

It is as well to remember that in 1974 a synchronised fall in all of Malaysia's commodity prices trimmed the terms of trade to 68 per cent of their 1970 level overnight. Inflation soared to 17 per cent, and economic growth shrank to 2.2 per

The Government is also concerned about inflationary pres-sures. A formidable subsidy programme totalling Ringgit 1.26bn in 1979—10 per cent of the federal budget—pegged domestic prices for essential goods such as rice and kerosene, leaving the official inflation rate at around 5 per cent. But cracks are beginning to appear in the Government's price restraint policy, mainly because the price of so many essential imported

goods is rising rapidly.

Mr Tengku Razaleigh Hamzeh,
the Finance Minister, bas all but admitted that the price of products like petrol and diasel fuel must soon rise. At the same time, property prices are rocketing, while wages are rising by between 10 and 20 per cent a year. Cement prices bave laapt by 30 per cent in recent months, rents by 40 per cent, electricity by 20 per cent.

It is widely believed that the

consumer price index, heavily weighted in favour of food, is in urgent need of revision. Most independent analysts agree that a properly weighted index would show inflation at about 10 per cent—perbaps not high by international standards but by international standards but likely to be a shock to a nation used to inflation below 3 per cent a year.

As inflation increases, so there are increasing pressures for domestic interest rates to rise. With a base rate of 7.5 per cent, Malaysia offers some of the cheapest capital avail-able anywhere in the world. But with international rates bovering between 18 and 20 per cent, there is some seepage of capital from Malaysia on to the international markets.

Central Bank officials insist that the net flow of funds Is still in Malaysia's favour, and that there is as yet no sign of a fall in private savings, which rose by 31 per cent in 1979. But they concede that if rates on the international markets MALAYSIA'S financial system

a longe period, then higher interest rates might become inevitable.

Another area for concern is

tha slow growth in private sector investment, which is paradoxical in view of the cheap paradoxical in view of the cheap capital available. With the exception of investment in oil, which leapt by 28 per cent in 1979, private sector investment grew by just 10 per cent last year. Of this the construction industry, which accounted for 40 par cent of tha total, rose by 20 per cent, while manufacturing investment grew by just 7 per cent.

7 per cent.
The Government predicts that private investment will fall still further in 1900, to an overall 8 per cent, in part because of recession worldwide and also because of the high cost of imported machinery and other manufacturing inputs. The substantial Chinese business community, discouraged by economic discrimination in favour of ethnic Malays under the New Economic Policy, are also not investing with their traditional vigour.

Interference

Foreign investment, now totalling about Ringgit 1bn a year, is lagging at about balf the predicted level. Some blame worldwide recession, others excessive bureaucratic interference in industry through tha growing number of parastatal corporations set up by the Government.

To counter the slowdown in ecnomic activity foreseen worldwide, the Government has taken it upon itself to provide a counter-recessionary stimulus. Public investment leapt by 22.3 per cent in real terms in 1979, while in 1980 it is expected to grow by another 23.4 per cent. Most money will be spent on agricultural and rural development, education, housing telecommunications, power and electricity.

sector damand to rise by around 21.4 per cent in 1980. Between 1976 and 1979, the public sactor's share of GNP rose by

2 per cent to 29 per cent.
As the Government prepares
the Fourth Malaysian Plan, dne to begin in 1981, so heavy investment in large-scale industrial projects can be expected. At least two steel mills are to be built, with an aluminium smelter, and numerous downstream industries based on the country's newly-found oil supplies. This will boost the public sector share in the economy still further.

As the Third Plan period draws to a close, ao the Government has begun to assess its achievements. The first observation made by Dr. Mahathir Mohammed, Deputy Prime Mini-ster, is that implementation of the plan has been very patchy. mainly because of a shortage of properly trained administrators. To remedy this shortcoming

an extra 80,000 officials are to be recruited and trained to administer the Fourth Planwhich implies a 12 per cent boost in civil service manpower. This may be no bad thing, since the Government predicts a con-tinuing drift of workers from the rural areas to the towns and cities of Malaysia, and foresees the need for a rapid job creation programme in the urban areas.

The job shortage is particularly acute for men, since much of the manufacturing industry growing up in the urban areas is based on consumer electron-

female labour. The Government is also beginning to assess how effection remains. About 30 per tively it has achieved the social cent of the population still subengineering goals laid down in sists below the official poverty the New Economic Policy line—most of these are in the (NEP), which is now balf way poor rice-growing areas and on through its planned 20-year life. some of the plantations. Government oppor-wealth and economic oppor-claim that this seems to be an growth. tunities in the country in inevitable phase in the process

1976 1977 .:

the ethnic Malaysians which make up 51 per cent of the total population of Malaysia, and include most of the rural

the foreign and Chinese share of industrial and manufactur-

ing equity. In 1979 foreign

90.2

interests owned more than 63 per cent of equity in Malaysian companies, with 34 per cent in the hands of Chinese and Indians and just 2.4 per cent beld by Bumiputras.

The aim is to transfer owner-ship so that by 1990, Bumipu-tras own 30 per cent of equity, foreigners another 30 per cent, with 40 per cent in the bands of "others."

Slow progress

Progress has been slow, but significant. Foreign ownership bas been trimmed to below 44 per cent, while ethnic Malay ownership has risen to 16 per cent. Unfortunately, few of the poor Malays bave been able to benefit from the change; most of the equity transferred into Bumipatrea bands has been

taken up by institutions or by ics and textiles, and uses only Malays who are already wealthy. So the underlying concern over unequal wealth distribu-

tion remains. About 30 per Spending in the 1980 budget tunities in the country in inevitable phase in the process has been boisted by 17.6 per favour of the "Bumiputras"— of capitalist development. They

hope that by 1990 that same capitalist development proce will have begun to narrow the gap, distributing more wealth to country's poor. Plans for rapid infrastructural develop-ments in the rural areas— involving roads, electrification, schools and bealth services—are all intended to speed this pro-

3.123

Growth in 1980 is projected at 6.5 per cent, a figure based on the assumption that com-modity prices must fall back from the high levels of 1979. Export growth is expected to slip to just 7.3 per cent this

To those who argue that Malaysia's wealth is the product of simple luck, Mr. Datak Musa Hitam, Education Minister and a contender for prime ministership in tha years to come, bas a blunt answer:
"What has happened in
Malaysia is not just an accident. Our good luck is the product of farsightedness and planning.

"Many other countries have greater wealth in resources than we have but have never managed to exploit it. It is the quality of leadership and economic direction in this country that is the basic explanation for

Such comments show a growing self - confidence among Malaysians. This in itself can do a great deal to keep the nation on a path towards rapid and self-sustaining economic

David Dodwell

Central bank adheres to cheap money policy

has recently caught the eye of an almost incredulous international banking community for influencing banks or large com- all to take advantage of higher the gravity-defying act of its

caimly carried on with a prime rate of a mere 7.5 per cent. It bas been at that level since

An upward adjustment must be considered on the cards in the fairly near future, unless, as seems unlikely, Euromarket rates fal las rapidly as they bave risen, but Malaysia's rate is unlikely to be raised enough to bring it within striking distance of overseas rates. Currently, rates are on a par with Switzerland and as a result the Malaysian dollar, the Ringgit, is being referred to in some quarters as the Swis franc of Asia. The comparison is flattering to Malaysia, but the parallel is not exact

The low interest rates have have oot been a coosequence of a very strong currency. The ringgit is firm but has shown only slight appreciation against a composite index of other currencies over the past two

In the face of a vary large current account surplus it is seen as surprising that the cur-rency has not done rather better, and used by the Central Bank to dampen imported infla-

fact, the bank's strategy has been very different: to retain a low interest rate structure to eocourage private ector investment, provide cootinuing domestic financial stability and discourage inflaionary expectations.

Balancing act

Low interest rates have nabled the Central Bank to keep a grip on the growth of money supply in the face of the large current surplus. Its balancing act has been successful so far. There appears to bave been some—but not a flood —of capital outflow across the exchanges.

Some companies, especially those with close links in Singanare, have taken to fundion.

pore, have taken to funding more of their operations with cheap Malaysian borrowings and avoid Singapore dollars. Some export industries have delayed repatriation of earnings to take advantage of high overseas rates

rates.
All these factors have helped to offset not just the current surplus and regular capital inflows, but also a surge of portfolio investment into Malaysian resource stocks, particularly from Britain following London's abolition of exchange control.

Government controls also

Government cootrols also play a significant part in insulating Malaysia from overseas interest rates. Though consent to export capital

readily given, the Central Bank Government corporation Petrokeeps a close eye on what is nas. It has beld a large part of happening and has ways of its net earnings offsbore not at panies which do not behave, so interest rates, and only partly in this way can thwart any rush because it has some eventual While other open market to repay expensive U.S. dollars beavy foreign currency capital economy countries, including with the low-interest Ringgit, commitments.

into a leap-frogging interest race all but abolished exchange started by American anti-inflation measures, Malaysia bas exposed its financial system to some gusty offshore winds.

For Malaysia a combination of natural flows and govern-ment controls should allow interest rates to be kept relatively very low in the sbort term. But in the longer run it is probably neither possible nor desirable that such a trade-orientated economy depart radically from international trends. Malaysia will be boping that current world rates are a passing abberation.

The largest of Malaysia's capital exporters has been the

commitments.

to money supply growth or put too much upward pressure on the exchange rate. (Malaysia's overall balance of payments situation would fustify a stronger Ringgit but that would burt the incomes of the hundreds of thousands of people dependent directly on rubber, palm oil and tin prices.)

The Petronas overseas funds (totalling more than U.S.\$1bn) provide an additional money and exchange rata regulatory tool for the Bank Negara, which effectively controls their disposi-

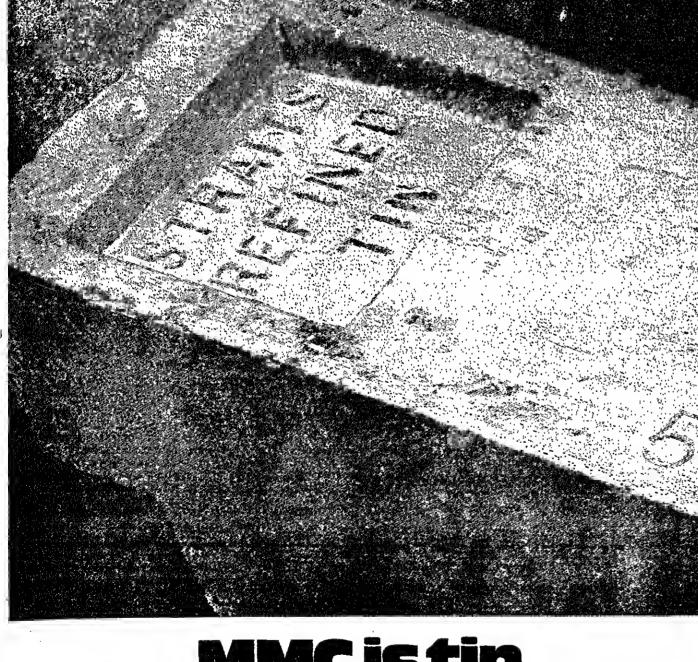
reserve rose from Ringgit 6.8bn (U.S.\$3bn) at the end of 1978 to Ringgit 8.6bn nine months later. In spite of this surge, the Bank Negara succeeded in con-

Even without their repatria-

the financially important neighbours Singapore, Hong Kong ingly contrast with the policy. because the Bank Negara was growth in the latest. 12-moisting and Bangkok, have been locked in Singapore, which has now anxious that it should not add period to 18 per cent, almost. exactly the same rate as the previous year. The bank considers that level consistent with an 8 per cent growth in real GDP, a consumer price inflation rate of around 5 per cent and the continuing monetisation of the economy.

The bank still looks to M1 as its principal monetary indi-cator but M2 is growing very much faster. Fixed deposits which constitute 55 per cent of total deposits, grew 36 per cent in the latest period and savings deposits by 23 per cent, giving an overall growth in commercial.

CONTINUED ON NEXT PAGE ...



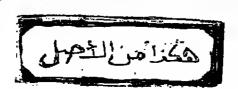
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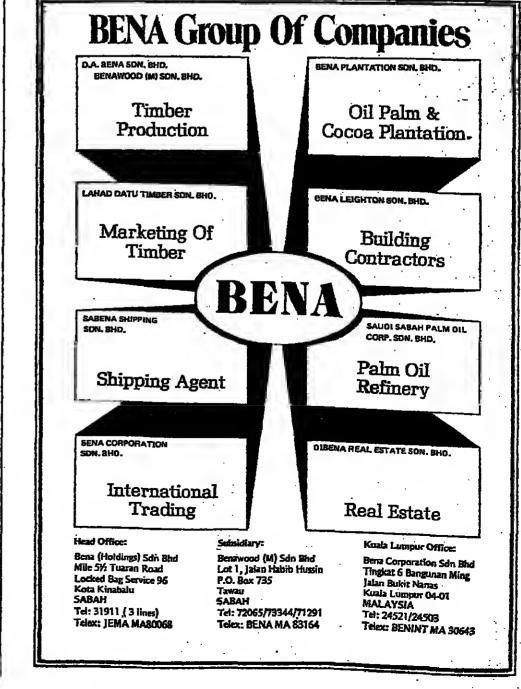
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Malaysia Mining Corporation Berhad



Long-term plan reaches halfway mark

BY THE END of this year, affected. The economic main- facturing, forced the Govern- had reached only 10.3 per cent. when the Third Malaysia Plan (1976-80) draws to a close, Malaysia will be exactly half way through its 20-year programme of social and economic restructuring known as the New Economic Policy (NEP)

that by 1990 and a start development a destroyment to name to the start to name to the start to poor the start to the start to poor the start to the

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David Dok

S TO THE PARTY SERVICES The policy, instituted after the May 1969 riots, aims to end the identification of race with mended to speed the class and economic function through massive efforts to raise S han cest a subthe socio-economic position of the Malay majority, bringing them into the mainstream of the modern economy.

to the 12 because to Ministers are now trying to get a perspective of what has to some extent by the fact that been achieved by the halfway Petronas, the State oil commark, and what changes of policy or emphasis may be needed during the Fourth Plan. SSIZES WESTERN SERVICES OF STREET maintain the NEP's

momentum.

By and large, they can conhas been achieved in terms of economic growth, physical construction and economic and educational advancement of Malays without dangerously alienating the non-Malays

Favourable :

Ministers and officials are aware that by and large the external environment have been highly favourable over the past decade. Though Malaysia does not lack continuing opportunities, it must he assumed that external conditions will be less favour probably double the 4-5 per able over the next five years than the last five.

Terms of trade have improved 35 per cent from their 1975 low and are above those of a decade ago. Adjusted for changes in export weightings they would be better still. More important, the huge rise in the price of Malaysian crude oil from little over U.S.\$ 2 a barrel in 1970 to nearly \$40 today coincided with an increase in production from 20,000 barrels a day in 1970 to

The main point about this oil growth compared with the provide a new way of rapidly wealth surge is not that it has second plan, looking instead to increasing the Malay share of transformed Malaysia into a rich but oil dependent nation along the private sector to be the corporate capitals. The aim is but oil dependent nation along the lines of, for example, Iran notably through manufacturing, own 30 per cent, other Malays are the conference of the conference of the compared with the provide a new way of rapidly wealth surge intensive strategy would be to provide a new way of rapidly wealth surge is not that it has second plan, looking instead to increasing the Malay share of the compared with the provide a new way of rapidly wealth surge is not that it has second plan, looking instead to increasing the Malay share of the corporate capitals. The aim is private sector to be the corporate capitals. o rihe Gulf states. On the face of it, the main activities of very sluggish private sector in 30 per cent. But it is estimated of consumer durables

springs remain the plantations, ment to expand its own spendsprings remain the plantations, ment to expand its own spend. The foreign share had tin mining, a thriving internal ing much faster than originally dropped from 62 per cent in trade, housing construction and consumer goods manufacture.

But oil, and to a lesser degree buoyant prices for other commmodities which flow directly to revenue through export duties, are making possible muhe of the government spending which is providing the thrust to the NEP.

This is not going to stop overnight. Oil production is currently being restrained at below potential. And the size of oil income to being disguised pany, is accumulating very large foreign exchange holdings offshore-more than \$1m and probably still growing. Over the next few years, major new gas projects will come on stream, generating large new additional revenues for the Government

of Government development spending must be expected to slow significantly compared with the past few years. Between 1971 and 1978 But at least the more cautions development spending rose by an average 23 per cent and recently has gathered even more momentum. It jumped from ringgit 8.1bn (£1.65bn) in 1976 to a targeted ringgit 17bn this year.

However, the rate of growth

Even allowing fer the fact that inflation in Malaysia is growth has been remarkable. Tha public sector as a whole share of GDP from 22 per cent cent this year. This is not exactly what was

Malaysia Plan was formulated. 100,000 by 1975 and more than Then, the Government envis-300,000 today. Government from such a capital-aged a slowing of public sector intensive strategy would be to

people in Malaysia remains un vestment, especially in manu- that by 1978 the Malay share

intended. Buoyant revenuea the midterm review of the plan in early 1979, the development spending target was raised 73 per cent to Ringgit 32bn, though because of delays in im-plementation actual spending was expected to rise only about 35 per cent.

Impressive

The direction as well as the size of development spending is likely to be shifted in the coming plan. In recent years, the Government's achievement in terms of economic and social infrastructure have been impressive: achools, hospitals, roada, rurat electrification and water supply. But these are creating a rising burden of recurrent expenditure to operate and maintain, a burden which is not yet fully apreciated as so many projects are not yet finished.

In the Fourth Plan, government is likely to want to direct more of its available capital resources to the productive sec-tors. Industry will be in the

If successful, the programme will mean not just a significant shift in the composition of GDP. but also in Malaysia's economic geography away from the plantation, tin and light industrycent suggested by the consumer rich west coast of the penin-price index, the spending sular to the aast coast and east Malaysia.

Heavy industry would absorb (defined to include public large amounts of public sector corporations such as Malaysian capital, but it would also be Airline System but excluding expected to attract foreign the oil industry) increased its private capital as joint venture partners. And as foreign loan in 1973 to an estimated 31 per finance presumably would he available, so the hurden on the development hudget might not per cent four years ago and 25 envisaged when the Third be very large. An additional benefit to the

aged a slowing of public sector intensive strategy would be to

1970 to 46 per cent, hut nonfrom oil and commodity prices Bumiputra Malaysians had allowed it to do so safely. In expanded their stake faster than expanded their stake faster than Malays despite much higger than planned injections of government money into agencies such aa Perwas which acquires assets on behalf of the Malays. (Malay individual ownership of corporate capital was only 3.6 per cent in 1978.)

Much of the government money has gone to huying existing shares from foreigners. But with many of the plantations and tin sectors already Malaysianised the Bumiputra agencles may have to look increasingly to investing in big new projects if they are to maintain the momentum needed to reach NEP targets.

So it looks likely that some major projects will he taken up government - funded Bumiputera agencies rather than by government corporations.

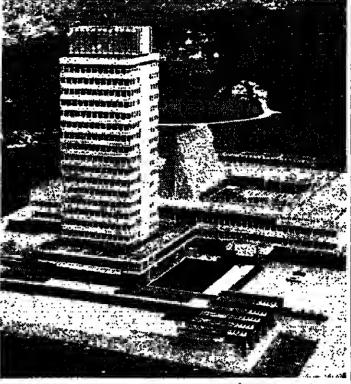
already about to start. Pernas is expected soon to have to dis-pose of some of its invest-Rubber and palm of ments, including the Malaysian holders are estate workers have Corporation. Permodalan Nasional, the Bumiputra established last year. Pernas thereby will acquire funds to invest in new industries. fallen further bebind. If com-Permodalan Nasional is also ex-modity prices fall back while ment sharea in certain govern-

ment-owned corporations, such

the Malaysian Airlines System. ernment is to use more of its If the transfer of assets is to be a long-term success, a much higher rate of Bumiputra savings is needed. Malay progress in the unincorporated husiness sector bas been fast; they now account for 17 per cent of bank loans compared with only 12 per cent of finance company

their progress in the modern need to look primarily to higher economy than the figures for Individual share ownerships. However, the Government la allowed after the great leap for-concerned t their high propen- ward lo the 1960s and early sity to consume and use of However, a combination of a sians 40 per ceot and foreigners borrowings to finance purchases

All in all the urban Buml-



The Houses of Parliament in Kuala Lumpur. Ministers are trying to gain a perspective on the economic plan's achievements

putras are making rapid strides generation of employment has in jobs, education and incomes. Their numbers are growing rapidly and now account for a third of the urban population. But the Government is concerned at the extent to which rural, which means mostly Malay, incomes are tending to

Rubber and palm oil smalljust about kept pace with average incomes in the past three investment fund years thanks to high commodity prices. But the already highlysubsidised rice farmers have pected to acquire the govern- national income continues to rise on the back of oil wealth, the urhan-rural gap could widen as Bank Bumiputra and even further. Meanwhile, if the Govown' reseourcea to stimulate heavy industry, there may he relatively less money around for the infrastructure projects in rural areas which have employment

hoosted incomes. Land is still far from scarce In Malaysia but the costs ofdevelopment are rising, both to keep up agriculture growth and These figures better reflect rural incomes. The nation will yields than rely on new land. Estate productivity growth has productivity remains a difficult and expensive task.

In the past few years the

managed to keep just ahead of a labour force growth of 3.5 per cent thanks to new land achemes, rural works spending, a rapid growth of employment caused hy buoyant commercial and construction sectors, and labour-intensive

electronics be needed if the growth of a there is still a need ta atimulate private sector industrial investment hy local entrepreneurs, and a need to continue to export - orientated attract labour-intensive industries.

Singapore's return to a highwage strategy should help attract more multi-national industries into Malaysia. But worldwide worries about unemployment and protectionism do not augur well for the medium-term expansion of these industries. In sum, the Fourth Plan

should see continued rapid progress for the economy and for NEP goals. But a com-bination of less favourable per cent by 1982. commodity prices, the increased importance of energy and the continuing demands of the NEP may tend to widen existing between old and new economic sectors, and between general interference in business, 1970s and raising smallholders the State and the private

Cheap money

CONTINUED FROM PREVIOUS PAGE

at a similar rate—though they deposits.

Overall lending growth baa been slower, demands from trade and industry being little of working capital requirements The one hig growth sector bas been housing and construction -housing loans and real estate building loans rose nearly 35 cent following roughly similar growth in the previous year. These now account for 22 per cent of total bank domestic loans and advances.

the banks to boost expansion of a property-owning middle

To protect the banks against the illiquid nature of mortgage lending over 15 years or more there is active diacussion about the setting up of a corporation. involving all the main players in the financial market, to provide a rediscount market for mortgage loans.

For the moment housing loans

industries — mostly are quite attractive for a bank-But all this will continue to ing system which mostly bas been more liquid than it would continuing high workforce is like, even though mortgage to be absorbed. Therefore rates are pegged to a modest 1.5 per cent over prime. But in tighter conditions there would be little incentive for mortgage

lending on this basis. and in practice
Lending to Bumiputras proved inflexible,
remains the most important Commercial ba priority sector but owe where. again, avaibilty of money has belped to fulfil demand from non-traditional customers. Bank lending to Bumiputras ia now comfortably over the current target of 17 per cent of total

A more difficult target for the banks to reach is in lending to the food production sector—the aim is 6 per cent of total loans by the end of this year and 10

The third lending target at present is that 20 per cent of loans go to small-scale busi-nesses. The amount of Central Bank direction on lending, and continues to irk some bankers accustomed to a freer environ- possibility. Philip Bowring ment. It has also anagged the market in bankers' acceptances

bank deposits of 31 per cent. which was established in 1979 Finance company deposits grew and grew rapidly until upset by some seemingly arbitrary action are still only about one-fifth by the Central Bank. It the size of commercial bank rejected some paper rediscounting regardless of the name of

the accepting bank. Critics say that while Central Bank guidelinea for the New more than enough to take care Economic Policy (NEP) are one thing, paternalistic direction on in an inflationary environment, other matters and the preference given to government-owned banks is not promoting efficiency in banking.

Most aggrieved are the foreign banks, which are unable to expand their branch networks. Hardest hit are those with a narrow deposit base but omestic loans and advances. some big multi-national custo-As a result housing is no mers. While Malaysia's prime longer setting a specific target has been steady the cost of for bousing loans—but the swaps they use to fund a large Government is still looking to part of their loan portfolios has escalated horrendously. As a result they have bid up interbank rates so that one-week money, which was 4 to 5 per cent a year ago, has now hit cent. almost touching

> These banks have also had to make use of the latitude granted to the banks in late 1978 to set their own deposit Some of the world's most important banks bave found themselves having to bid 1 per cent or so above the deposit rates offered by small local banks

prime.

However, the freedom of interest rates overall is still Priority sector lending rates are fixed directly, and in practice prime has

Commercial banks face modest amount of competition from finance companies and also from merchant banks which since last year have been allowed to take large-size corporate deposits. In general the Bank Negara

is trying to push merchant hanks into fee-based activity rather than straight lending. However, of the 12 merchant banks, a small group has so far succeeded in capturing the lion's share of the fee-earning corporate finance, underwriting and portfolio management business. Others may he hard pressed to reach the 30 per cent fee-hased earnings target set by the Bank Negara. Mergers between merchant banks are

Philip Bowring



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Commodities enjoying a record spell

MALAYSIA IS enjoying a com-modity boom unprecedented since the Korean war. Rubber prices have moved steadily upwards for the past five years and last year's prices were twice as high as those in 1975. Prices have shot up even higher this year, breaking the Ringgit 4 (81p) a pound mark

at one stage.

Prices of palm oil have remained highly lucrative, while timber prices, though volatile, are on the high side. But the rommodity boom has also sharpened disparlties between the ruhber and palm oil growers and the padi planters, whose earnings were hadly affected by drought. Last February 10,000 Malay farmers rioled in Alor Star, capital of the rice-growing state of Kedah, to draw attention to their

Thanks to OPEC and its price rises, synthetic rubber is no longer a threat to the natural product. Instead of the "replant or die" slogan of the late 50s and the 60s, which urged planters to switch to high-yield trees to beat off the threat from synthetics. Malaysia is now launching its "dynamic production policy," aimed at maintaining the country's lead as a rubber producer.

Rubber production has been stagnant at around 1.7m tonnes for the pasi four years, partly because of drought, but largely due to the rapid conversion by plantations of rubber estates to oil palm. Oil palm gives a much higher return. According to Mr. Paul Leong, Minister of Primary Industries, the pre-tax profit for rubber per acre per year is around Ringgit 250-300, while nil palm gives a return two or two and a half times more.

The Government cannot prevent plantations and even smallholders from shifting from rub-ber to oil palm, but il has taken several important steps to narrow the financial returns between the two crops. A significant move was the restructuring of the export duly on commodi-ties in last October's Budget in which the duty on rubber was substantially reduced.

Government land schemes are now adopting a more balanced rubber-oil palm ratio, while the "dynamic production policy" announced last year required the Rubber Industry SmallLaunch day nears for new exchange

IN JULY or August Malaysia

sighted move, but the authorities cannot he faulted for moving too fast. If anything, the Malaysians have been cantious. Realising that the initial response to the Kuala lumpur Commodities Exchange is crucial, psychologically, they have taken great pains to en-ensure that everything will run smoothly from the launch

Initially, the exchange will deal only in pake oil futures. Trading, in lots of 25 tonnes each in Malaysian cur-rency, will be on a month-tomonth basis, but after a while futures quotations will be himonthly

" open ery" system, but secrecy in trading positions

will be upheld.

Apart from the exchange, tha Commodities Trading Bill, which is being pushed through all its stages in the will taunch its commodities exchange, as the first stap in its plans to make Kuaia Lumpur a major commodity trading centre.

The plan is a hold and far-

clearing house.
Equity of the clearing house will be held 30 per cent by the international commodities clearing house of Sydney, while Malaysian banks, including foreign programmes.

Trading will be on the

holders Development Authority (RISDA) to boost small holders' output through the faster introduction of high yield trees and modern technology. Among tha private planta-

gains attravtiveness. But boosting output above 4 per cent a year, would, in the longer run, require more land, which is getring scarce.
Prim oil which has been the ster performer in the agricul-ture section in the 1970s, is still

tions, there appears to be some

rethinking over plans to con-vert to oil palm as rubber re-

espending rapidly, though not as phenomenally as in the past. Although the planting rate has slowed, production is surging ther, ahead as, planted areas come under harvesting current pro-duction of 2m tonnes is expected to double by 1985. There is therefore the vital need to find new markets. With

the rapid increase in soyabean output in the U.S., Malaysia palm o llemporters are unlikely to regain the share of the U.S. market they used to bave, parflouiarly when they switched so rapidty away from the U.S. tn

current parliament session, will provide for a commoditles trading council and a

ing foreign - incorporated banks will hold 70 per cent. Margins for trading to be imposed by the clearing house

have not been decided. It will probably be between five and ten per cent of the contracted To give a good start to trad-

ing, costs are being kept low. A trader will pay charges of about U.S.\$3.2 per tonne of palm oil on a roundturn contract (purchasing and liquidation) compared with \$4.65 on the Chicago exchange.

> The Indian market remains the biggest for Malaysian palm oil, but because Indian buying policy can be subjected to quite radical shifts, Malaysians are looking for other markets as

> The Middle East and China are polentially very large markets, although in the case of the former, the lack of sbipping and business rapport are problems to be tackled first.

Lear will he leading a commodities mission to China later this month and hopes to pene-trate the Chinese market fur-

Returns

Coroa is fast becoming Malaysia's third export crop. Cocoa prices have fallen, but the returns are still better than oil palm and far more attractive than rubher. Most plantations are selting aside land for cocoa cultivation.

The Government's land agency, FELDA, sees cocoa as a crop that may case the land

ahortage. Five acres of cocoa giva a better living to a settler and his family than 10 acres of rubber.

Malaysia produces about 1.5 per cent of the world's cocoa but wthin 10 years it should bot whin 10 years it should become a major producer. Last year, cocoa replaced pepper as Malaysia's third export crep although its value (160m Ringgit) may be insignificant compared with earnings from

compared with earnings from rubber and palm oil.

The soft underbelly of Malaysia's agriculture is the rice growing industry.

Even at the best of times, padi cultivation is barely a profitable occupation because farming plots are too small.

Most farmers own less than five acres, and about half have less. acres, and about half have less

than three acres.

Malaysian padi farmers are
also very high-cest producers. But as a strategic policy the Government wants the country to move towards near selfsufficiency, Currently, Malaysia is 85 per cent self-sufficient, producing about 1.4m ronnes of

rice.

The authorities are faced with the dilemma of paying high subsidies for padi farmers, and keeping the rice price stable for consumers. This dilemma was partly the cause of last February's rice riot.

Private rice millers, many of whom are Chinese, have to buy padi from farmers for milling. at or above the Government's guaranteed minimum price, but have to sell rice at prices fixed five years ago. Because of rising costs, particularly of fuel, many rice mills are hardly profitable. Last year, when the Govern-

ment increased the padi price by Ringgit 2 per picul, the millers refused to buy, forcing farmers to unload their crop to the Government's padi an rice authority. The suthority lost millions of dollars because It did not have sufficient milling capacity and padi rotted in wet weather.

As a result, the Government introduced the coupon system of subsidy, enabling both farmers to get more money and millers to recover it from the Government. But confusion surrounding the coupon system sparked off the march by farmers to Alor Star.

Wong Sulong

Share markets buoyant

SECURITIES ON the Kuala and tin shares all registered Lumpur Stock Exchange are solid gains, ranging from 23 to undergoing a period of coo- 28 per cent. solidation after a buoyant per-

formance last year. Following an almost uninterrented four-month surge, which spilled over to fanuary and February, and which took slocks almost to their peak levels of the 1973 boom, the market cosed last month to market eased last mouth to account for technical correction. Analysts believe the market will consolidate for another two in three months-maybe longer -considering the spate dampening news from the Inter-

nationa Iscenc in the form of high interest rates, recession in the U.S. and Britain and a politically-troubled situation in the region as a whole.

But the Malaysian and Singapore economies remain very strong. After a real growth

of 8.5 per cent last year, Malaysia's economy is expected to grow by 7.5 per cent this Singapore's growth is expected

to he slightly higher. Analysts therefore see a good year ahead for Malaysian stocks. In 1979, the star performer

was plantation stocks, particularly those with a high rubber base. Starting on an index of 447 in January, the Kuala famour Stock Exchange's dollar rubher index moved rapidly to reach 525 points at the end of December, a 40 per cent jump.

Attraction

Rubher shares were also actively traded, buoyed by both local and overseas demand. Popular issues such as Kuala Lumpur-Kepong Dunlop Estate, Guthrie Ropel, Highlands and Lowlands and Malakoff, put on

hefty gains. Over the past two years, rubber shores bave gained a new attraction based on the hoom in ruhher prices. Inves-tors see a bright future ahead for rubber because of the in-creases in oil prices.

Interest is also fuelled by the insaliable demand by Malaysian acquisitionists for plantations, whose values have risen sub-

whose values have riscu substantially.
Rubber estates, which used to be valued al Ringgit 3,000 per acre a year ago, are now fetching between 5,000 and 6,000,

and in some instances as much as Ringgit In.000 per acre.

Pronerly slocks also did very well, thanks in the tremendous demand for residential homes, and the high building activity.

The Kuala Lumpur Stock Exchange's appoperly index rese change's property index rose from 256 to 350 points during last year, an increase of 37 per

Industrials, finance, hotels.

On the whole volume traded in 1979 was 637m units valued at Ringgit 1,641m, compared

with 1,107m units valued at Ringgit 2,539m in 1978. The lower volume traded, despite the higher prices, was largely due to few speculative factors in 1979, and partly because much of the pent-up buying huild up since 1973 had been exhausted by 1978.

To comply with Government pollcy of encouraging Bumiputra (Malay ownership of securities) the corporate sector continued in make special issues to the Bunipulra community discounted prices.

more than Ringgit 120m. Since mid-1978 there has heen a considerabla inflow of

foreign funds, particularly from British institutions, into the Malaysian (and Singapore) stock market, reversing the past selling trend. Foreign interest in Malaysian securities arose from the reali-sation that Malaysia is likely

to enjoy rapid economic grnwth within a stable political frame-

During the year Batu Kawan scrambling to acquire estates, issued lomi shares, Oriental existing foreign-owned estates Holdings 20m and United Motor have gained added attraction. Works 8 m units. These issues But for the Malaysianisation were sold at Ringgit 53.7m. policy they would not have Their present market value is chalked up such impressive values.

> The ending of Britain's foreign exchange controls last November also provided a strong incentive for major British fund managers to travel to the Far East scouting for high yield securities.

In Malaysia, their attention is focussed on plantation and tin stocks (traditional British areas The new economic policy is now viewed in a different light. With Malaysian corporation of investment) with some spill-

thillie most things, wood is warm and mendly. It grows on you each day especially so Maleysian wood — rich, beautiful and restilent.

Melaysia is the world's largest producer of tropical timber and timbe products and to oversee the activities of this important industry, the government has specially created the Malaysian Timber-Industry Board. The Board regulates the trade, marketing and distribution of timber, II also provides market intelligence services, market contact throughout the world, advice on shipping and utilization and

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Prosperous future for the tin industry

THE MALAYSIAN tin industry range. The Government has years of delay the huge Kuala active, notably Conzinc Rio either the capital or know-bow as user stocks are low unless for big mining projects other sales coincide with a recession.

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successive year of production pected that adjustment of the upturn after a persistent decline since 1972'a record 75,000-tonne Output advanced 1,500 tonnes to 64,000 tonnes as increase in the top marginal higher prices encouraged gravel rate of tin profits tax from 12.5 pump miners — who still to 15 per cent. This is not very account for about 50 per cent significant in money terms but of production - to mine hither further reflects the desire of to uneconomic deposits.

This process may continue in the current year because prices place more emphasis nn tax on have continued to move profits and less on tax on proupwards. Indeed, it is a credit to the fundamental soundness of the tin market that the metal was only peripherally involved in the monumental boom and bust that hit the world metal markets at the beginning of this rise in gravel pump production year. The price is now hovering from lower grade areas: around the Ringgit 2,500 a picul level, an increase of about 12 per cent on the average price for the whole of 1979.

Tax changes

will not necessarily have a signi- capacity. ficant impact on gravel pump production, responsive though States rights over land, which that can be to price. The reason is the export tax changes in increasing for wealth and median October's Bridget which have the effect of partially protecting producers against a price down-turn and giving them more certainty about future stability or the price, net of tax, they receive for their tin.

However, the operation of the revamped sliding scale export duty is such that at a price of more than Ringgit 2,225 a picul, the tax is now heavier than under the old, less progres. But these are being resolved oo Budget, the Treasury estimated that on the basis of an average price of Ringgit 1,750 a picul dustry. But the price has since gone into a cooperative venture been well above that level.

However, the new scale eases the export tax burden when prices are in the low to middle ever, is the likelihood that after

The industry itself claims of this, and of the increase in the International Tin Council well as production of the metal. floor price from Ringgit 1,500 to The year 1979 saw the second Ringgit 1,650 in March, it is exexport tax base will be made sometime this year.

> Also in the Budget, came an the Government, following the advice of the industry itself, to duction. In sum, the tax changes and commitment to regular reviews of costs, in conjunction with firm prices, achieve three principal goals:

• They enable an immediate from lower grade areas;

• They enable dredge miners to lower their cut-off grades, and to consider re-dredging old formerly worked areas: • And they encourage more

However, the latest price rise long-term investment in new

States' rights over land, which jockeying for wealth and position, remain an obstacle to new developments. However, the situation is brightening, even in Selangor which with Perak is the main producer.

Selangor has an especially hard-to-handle state government which has made life very difficult for the Malaysia Mining Corporation. There were particular problems over renewal a case-by-case basis.

Berjuntai, which was the first company to run into major the tax concession was worth problems with the state govern-Ringgit 152m a year to the in- ment over renewals, has now with it to build a dredge to develop a new property.

Most important of all, how-

it to start operations by 1984 with at least one dredge, and probably building up to three.

Kuala Langat was discovered by Charter Consolidated, which originally had an agreement with the Selangor state government agency PKNS to develop it on a 55-45 ownership split But that fell through with the fall of the former Selangor requires very much higher Chief Minister, Datuk Harum. in 1975. Ever since, there has been argument involving the state, Charter and the MMC

while been merged into MMC. The likelibood now is that MMC will end up with 35 per cent, giving Charter an effective 10 per cent only. But Charter and MMC's main concern now is to get on with the project. De-tailed feasability studies have yet to be carried out but there is a proven high-grade deposit at a depth of between 50 and 150 feet. On the basis of an operation using three large dredges, investment is expected to be between Ringgit 150m and

Quite what Kuala Langat will add to Malaysia's overall production is difficult to tell, MMC for Its part estimates that its own production should rise by 2,000 tons a year to about 16,000 excluding Kuala Lamgat.

Generally in dredging, new areas are being opened up while even if investment has not the life of some existing areas

There are various reasons is being extended by higher prices. However, in the medium to longer term, gravel pump production is likely to decline as areas are worked out and new leases are granted to o'redge miners rather more than to the than whose costs are now much higher than those of the

Exploration

More effort is now being put gramme involving the spending in plant. of about Ringgit 5m a year. MMC bas agreements Kelantan, Perak, Johore and Negri. Sembilan to prospect for minerals on the basis that the state would be entitled to a 51 per cent stake in any ventures which came to fruition.

Foreign companies are also broadening of the industrial programmes.

MALAYSIA VII

For the foreseeable future, Malaysia's tin output will condustries Minister, in encourag- levels. ing mining of primary deposits, wbether open cast or underground.

Mining of primary ore usually capital expenditure, and thus greater exposure to commodity price awings, than alluvial tin. The Government may consider providing special incentive for group-Charter's other interest foreign investment in nonthe 70 per cent local ownership

of the rin price is to a large extent underpinned by the fact that it would need a serious recession of production and con- to push up the Penang price. sumption to get badly out of halance. There is no spare capacity in sight and Malaysia has the advantage of being a relatively lnw-cost producer.

In the longer term, says the in Malaysian tin having mean alluvial tin and base metal industry, the price should be while been merged into MMC. of deposits currently known. requirement only after the Malaysians also believe that the foreign investor had recovered marker should be able to absorb his initial capital. Local com-panies mostly do not have pile without too much difficulty

Malaysia is not actually think- is due a little of the credit for Malaysia's tin output will continue to be mainly from alluvial ing io terms of major long-term the tin price strength. A year denocits Rut there is growing increases in tin production. New ago it withdrew its tin from the interest, including an interest discoveries will be needed to Penang market and started by Mr. Paul Leong, Primary In. sustain production at current marketing it directly through a joint venture arrangement with In the short term, the strength Anglo-Chemical, a subsidiary of Phillip Brothers, the Engelhart Group metals trader.

> MMC thinks this belped both and enable it to obtain better prices by direct sale to con-

> Further changes in tin marketing and pricing systems, which will certainly affect Penang and prohably London as well, will come about when the proposed Kuała Lumpur commodities exchange starts to trade in tin

> > Philip Bowring



Chinese workers use wooden dishes to clean tin ore from the tailings of a mine

Output high, but investment slackens

PRIVATE MANUFACTURING structure—the arrival of totally investment has been in general terms the higgest disappointment as far as performance

It is widely claimed that the tempo of manufacturing investduring the Third Malaysia Plan Industrial Co-ordination Act, ment has been rising satisfacis concerned. However, that giving the Government wide torily. In 1979, MIDA received could he because the goals were set very high. In fact, manufac-turing output has kept roughly in touch with original goals, the Act still casts a shadow.

There are various reasons for

Firstly, original projections seem to have been based on the unusually rapid rate of increase in manufacturing investment in the early years of the 1970s. miners rather more than to the when both import replacement amall-scale pump operators and some export industries such as textiles and electronics boomed.

That surge resulted in the installation of a large amount of excess capacity in some industries. In the past three years manufacturing in general has to involve itself in a major way into new exploration than for maintained a high rate of output several years. MMC group bas growth without necessarily a five-year exploration pro-needing major new investment

> induced boom in consumer very strong. The weakness of

structure—the arrival of totally new industries that had been hoped for.

According to figures from the potential employment created duction. Last year they rose 20 ment Authority (MIDA) the potential employment created duction. Last year they rose 20 ment Authority (MIDA) the year.

There is some validity in the argument, but a more important stripping out Ringgit 8.6bn cause of investment slackness is that the broadening of the manufacturing hase requires new skills, and sometimes volumes of capital, often not available to local entre-preneurs. Meanwhile, the still small size of the domestic More encouraging in many market does not present a ways was the big rise in the major attraction for foreign employment creation expected

in ambitious and capital intensive industrial projects such as aluminium, cement, steel and petrochemicals. It is also The oil and commodity price encouraging ageocies such as spending, and house building ventures with foreign companies in particular, has caused a in the middle level engineering surge in output in some indus-industries. Meanwhile, comtries, and exports have been panies such as Malaywata Steel, in which both Pernas and the the situation, bowever, is that Japanese are involved, are almost 20,000 — double the in-there has not been as much embarking on big expansion crease of the previous year and embarking on big expansion crease of the previous year and

powers of intervention, has 575 applications for new plants stifled entrepreneurial initiative or plant expansions compared and that despite amendments, with 492 the year before. Total the Act still casts a shadow. to4.8bn ringgit. Even after attributable to the Biwtulu LWG liquefaction facility, this waa a significant advance in real

Main impetus

terms on 1978.

More encouraging in many from the new proposals: It totalled 53,000 in the previous the Government, which intends year. The main impetus has come from the electronics industry. Most of the big multinational semi conductor and electronics firms already have a facility in Malaysia and many them are expanding their operations very rapidly to meet buoyant world demand.

Though the amount of capital involved is quite small-a total of Ringgit 215m, the job creation is expected to amount to representing 40 per cent of all much faster than overall pro-

Textiles continues to be an apparently good growth area despite lecreasing restraints in foreign markets. Less buoyant were applications in the food industry, which accounts for 16 per cent of total manufacturing output. Proposed investments fell from Ringgit 283m to Ringgit 17 m and employment creation from 4,600 to 2,400.

Other promising sectors were wood products and rubber pro-ducts—hoth industries which are quite labour intensive and also use local raw materials.

Meanwhile, actual manufacturing output last year was provisionally estimated to bave risen by 10 per cent, in line with the two previous years. The lead was taken by the construction material sector responding to the building boom. It rose 25 per cent compared with 20 per cent the previous year with steel the fastest grower.

Food products growth was slow-4.5 per cent-but there was a 19 per cent rise in turnout of processed estate products. Although only a relatively small proportion of manufac-tures is exported, manufacturing

exports have been growing very

now accounts for some 45 per cent of manufactured exports. The next largest export group is texetiles and clothing at 13 per cent. This year may see tougher times for textiles but electronics growth is assured by plaot expansions approved in

tronics was again the leader and

The the export figures look good in the statistics, and employ a large amount of unskilled labour without absorbing much capital, they generally have a low value added and few linkages into the rest of the economy.

They are a useful addition to output but do not reflect any significant change in the structure of the economy or form much of a basis for continuing

industrialisation.

The longer term future of Malaysia's industrialisation objectives lies in how successfully it uses the beavy industries it will huild on the back of its gas deposits, and from these develop the vital skill-intensive industries which lie between the consumer and assembly Industries Malaysia has now aod the basic products indus-tries it is planning.

Philip Bowring

If there were one country designed by investment counsellors, it would probably look like Malaysia

If you were to design a perfect investment, ideally you'd put all the investment qualities together in one country. politically, economically and monetarily stable and have a Your first need would naturally be land. Plentiful, developed industrial land, with excellent infrastructure. Fund as a loan currency. Around 12,000,000 sq. metres instantly available and reasonably priced at, say, US\$2,20 per sq. metre in less

metre in the prime areas. For the export oriented industries, Free Trade Zone facilities should also be readily available. Next you'd need labour. A ready supply that must be reliable, productive and highly responsive to training and the demands of modern technology You'd also expect this workforce to constitute 30% of the population that is

between the working age group of 15 to 25 years. Cost of this basic labour should be between US\$1.35 to US\$2.25 per day, depending on the type of industry and the level of skill.

developed areas and between US\$10.00 to US\$20.00 per sq.

currency that has been used by the International Monetary Your next step would be introduce a few incentives

that all industrialists would welcome. Probably things like liberal exchange control regulations, free repatriation of profits and capital, and up to 10 years tax holidays, on

One Authority

Finally, to make the design perfect, you'd want to approach just One Authority for information and advice on all aspects of investment, where you can consult with expert Government personnel. Which is, in fact, what one has in MIDA, the Malaysian Industrial Development Authority.

Now that you've completed your blueprint for an ideal

You'd definitely also want your ideal investment country to have abundant, and if possible, world-leading resources. Like 32% of the world's output of tin, around 45% of the world's rubber, 46% of the world'a palm nil, 37% of the world's timher. Plus important resources such as pepper, bauxite, copper, iron-ore, cocoa, rice and tea. And expect it to be, say, an emerging producer and exporter of crude petroleum. investment country, it can only be the One Country: Malaysia. MIDA invites you to participate in the International investment Seminar on the Timber-based Industries in Malaysia to be held on October 23 & 24, 1980, and the International Conference on Rubber Products Manufacturing in Malaysia on November 10 & 11, 1980. If you wish to have more details, mail the accompanying coupon to our Head Office. And ideally, your investment country must be Malaysia: The One Country. MIDA: The One Authority. MALAYSIAN INDUSTRIAL DEVELOPMENT AUTHORITY Tel: 943633. Telex: MIDA MA 30752. London Office: 17, Curson Street, London W1Y 7FE, United Kingdom, Cable: MALCENTRE, LONDON.
Tel: 409-0411/493-0616. Telex: 299659 MTDCLO G.

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Emphasis on conservation of oil and gas

STARTING ALMOST from scratch five years ago with the formation of its own national oil company. Petronas, Malaysia, is now moving holdly in the oil industry. It says it is too small to join OPEC, but keeps good lines of contacta with Moslem oil states.

Dr. Mahathir, the Deputy Prime Minister, said recently that Malaysia may not be so small after all in its endowments of oil and gas. Dr. Mabathir confirmed Malaysia has two of the world's biggest natural gas reserves—one off Sarawak in East Malaysia, the other off Trengganu on the east coast of the Malaysian Peninsula.

All along, Petronaa and Exxon, which operates the Treogganu contract area, have heen secretive about the Trengganu reserves, reluctantly admitting they are commercially viable wheo preased. But according to Dr. Mahathir, they are even higger than the Sarawak reserves, which are considered to be among the wnrld's biggest.

Petronas always goes to great lengths in reminding Malaysians that the country has only the barrels of oil reserves, which would be exhausted in 10 years at the current rate of production. Yet it is talking of 20-30 year plans and foreign oil executives say the Petronas claim is very conservative.

Imagination

Virtually every hole that Exxon (through its subsidiary, Production Malaysia Inc.) has drilled in Trengganu has hi. either oil or gas, while Shell i. Sabah aod Sarawak claims a higher rate of success in its drilling than in most parts of

Petronas' policy to maintaio a low profile is understandable. It does not want to fire the imagination of Malaysians of oil and gas bonanzas. There are no lack of examples of fires of discontent and destruction emanating from oil wealth. and Petronas wants to avoid pressure from foreign oil companles to exploit the reserves quickly.

"Oil conscrvation to obtain maximum benefit for the people for as long as possible" is the Petronas motto. "If the foreign companies have their way. Malaysia would be now producing over half a million barrels a day, instead of 317,000," says a Petronas

This is done through a slower for the Malaysia Association of companies to maintain a less (ASEAN) urea proje wasteful gas/oil production be built in Bintulu.

When these were aigned in late 1976, Malaysian crude was selling for US\$ 12 a harrel. Now it is fetching nearly US\$ 40.

The foreign oil companies get At the same time, the oil com-panies, through thir marketing arms, import Middle East crude, refine it and sell it in Malaysia at market prices.

Malaysia feels it is losing hundreds of millions of dollars hoth ways. The Malaysian Government cannot slap a tax on the oil companies to siphon production tharing agreements contain a clause forbidding any changes affecting their share of the oil. But Malayaia is selling them they must return some of a cordial relationship.

Work is going full steam to develop the gas reserves off Sarawak. Malaysia LNG, the joint company of Petronas 165 per cent), Shell (17.5) and Mitsubishi (17.5), recently signed a U.S.\$550m load to finance part of the costs of the U.S.\$1bn liquid natural gas plant at Bintulu. Site clearing has been completed and contracts for the plant have been

awarded. Sbell has also ohtained a U.S.\$300m loan from 15 major banks to finance construction of undersea pipes and other facili-

ties to hring the gas to Bintulu. Malaysia LNG has signed up contract with three Japanese utility companies to supply 6m tonnes of LNG annually for 20 years, starting from January

The Sarawak gas reserves bave a commercial life of 40 years, and apart from the gas contracted for Japan, the Government is planning to use the gas for other purposes, including feeding a giant aluminium smelter which the American Reynolds company is interested in building at Bintulu.

*Inrket value

Pricing is the problem. The Government is prepared to sell cheap gas for the smelter. Shell, naturally, wants a price that is closer to its market value. The gas would also he used to pay

work programme, and requiring South East Aslan Nations companies to maintain a less (ASEAN) urea project that will

According to Dr Mahathlr. A fight is building up over the production sharing agreements are expected to bave a commer-Petronas aigned with Esso Production Malaysia Inc and Shell.

According to Dr Mahathir, the Trengganu gas reserves are expected to bave a commercial life of at least 70 years. No decision has been made on what to do with the gas, but part of it would be used as a base for a petro-chemical complex that Petronas is building in Treng-

> Partly as a policy to partici-pate in downstream activities, and partly to break the monopoly of the foreign companies, Petronas will be going into the retail side of the oil business in a big way. At present, it has It has receotly reached a deal

several stations selling diesel and kerosene, but from next year it will sell its own brand of petrol and expand its retail

Oil has now replaced rubber as Malaysia'a top export. Revenue from oil exports this year is expected to be around

Malaysia sella most of its premium light crude to Japan and the U.S., and imports

wants to cut this dependence

with Kuwalt to swap Malaysian light for Kuwait crude, Initially between 5,000 and 10.000 barrels daily. Petronas will refine this crude and market it through its own outlets.

Malaysia is also using oil diplomacy to shore up Thailand's resilience as a frontline state in checking Communist expansionism.

premium light crude to Japan and the U.S., and imports heavy Middle East crude for its own use.

The supply of Middle East crude is in the hands of the foreign companies. Malaysia wants forcut this dependence. Within its own limitations, it

Wong Sulong



Outcry over UK rise in education fees

education.

Government annouoced a huge it had no particular reason to consider the impact of its move on the racial politics of

But it is symptomatic of the influence of the English language, of the developing world's thirst for education and of an insular British blindness commercial advantage to the commercial advantage. to the procitic thre of its custodianship of English that the move caused an outcry in

Education is at the heart of Malaysia's oew economic policy tion is one of the most controversial subjects. Another Is language.

Education is critical hecause the Malays see it as the essential way to enhance their role in the modern economy, to leave behind their traditional assumed role of farmers living a gentlemanly but impoverished existence in a well-ordered yet static feudal society and com-pete with the Indians as 20 per cent were Malays (of lawyers and the Chinese as

doctors and engineers.

For the Chinese higher educatlon is the perceived way to success in a fast-growing econ-

WHEN LAST year the British their traditional role as businessmen is being challenged hy rise in fees for oversaas two factors: enforced advance-students at British universities, ment of Malays, and the fact that business is tending to get bigger and thus the singlefamily business does not necessarily present the same oppor-

Because there is a finite quantity of higher education it is a very sensitive issue. To give commercial advantages to Malays only indirectly deprives noo-Malays. But with university education the deprivation is in-stantly identifiable. In pursuit of the National Economic Plan (NEP) goals, the Government of racial restructuring. And has given massive preference to within that policy the question of access to university education and universities. But it has not stood in the way of those parents who can afford to send their children to overseas universities. Hence the importance of Britain. This has served as an outlet for middle-class non-Malays whose children have heen frustrated by NEP pre-

In 1978 about 17,500 Malaystans were doing degree courses whom a large number were on government scholarships). The number overseas compared with degree enrolment in Malaysia itself of 18,000. If secondary omy creating demand for pro-school and technical college fessional skills but in which students are included there

were more than 40,000 Malaysians studying ahroad. Overall Britain accounts for about 40 per cent. But a combination of the higher fees and increased living costs dne to inflation and the strong pound could thwart many families'

Many may be able to find cheaper alternatives in the U.S., Canada, New Zealand or elsewhere. The economic and social returns in Malaysia from a good higher education are still very high so familles are prepared to save hard to make the invest-ment. But there is no doubt that the British move has caused a lot of heart-scarching and may result in the Malaysian Govern-ment itself having to raise its own targets for expansion of higher education.

Frustrations

Numbers of degree students have risen 40 per cent during the Third Plan (1976-80) and a similar rate of increase is believed to have been projected for the Fourth Plan. Increased total access to higher education should relieve some of the strains on non-Malays, but there is no question of making higher education an absolute right for those reaching a certain level, And so long as both selectivity and the NEP continue, so will the frustrations of the non-Malays.

university enrolment — mostly soos of the Malay feudal elite. When the NEP was initiated 10 years ago, Malay intake had risen to 39 per cent, a hig improvement but far from sufficient if Malays were to expand really their share of higher

By setting different cut-off it could cut off students from points for Malays and non-Malaysia and deprive them of Malays for entry into sixth the command of Malay needed forms and universities. Malay enrolment had reached 57 per cent by 1975 ad 64 per cent by 1978

given to Malays, at least relative to their examination percarry particular prestige, such as medicine.

many non-Malays (and some Malay parents and students) is the question of language, Many are worrled that the gradual move to all-Malay language teaching at secondary and university level, which should he completed by 1984, will lead to a rapid decline in ability in English which will hinder their chances of studying overseas.

Why the Malays need to give to universal use of Malay is themselves an advantage is clear—lowering standards through the enough. At the time of use of inadequate textbooks and Independence, Malays consti- a decline in links with foreign tuted only about 10 per cent of universities. Some parents have responded by sending their children to secondary schools in Singapore, Britain or India, or into one of the international schools in Knala Lumpur, which are supposed to be for expatriates hut have large Malaysian enrolments. But the pro-

Furthermore, the preference formance, has been most marked in degree courses which A related problem facing

20 per cent

blem with this solution is that country.

Acute question

The question is becoming acute as the use of English at higher school certificate level is phased out. Though English and Chinese as well as Malay aecondary schools will continue to carry on (as will Tamil schools at the primary level), only the specific vernacular will be taught in that language. All up to the age of 17 rather than other teaching and examinations 25 at present. will he in Malay.

language policy has been suc- of the Government's keenness to cessful and except at the higher develop the economy in general, education level is no longer a and bring about a social revolumatter of debate. Increasing tion among the Malays. understanding of Malay is evid-Some also claim that the move enced by newspaper sales. Last

year the circulation of the English-language New Straits Times rose only 4 per cent, while that of its Malay sister paper Berita Harian went np by

While non-Malays are worried about the supremacy of Malay, many Malays are worried about the decline in English, especi-ally among Malays. Special pro-grammes are being launched to reverse this trend.

Higher: education remains a hot political issue, hut mainly among the middle class. Meanwhile, the Government is concentrating its efforts for the future on vocational and technical education in an attempt to link education more closely to the future needs of the economy.

For the Fourth Plan, five new polytechnica are planned and many new vocational schools. Further, if a Cabinet committee report is accepted, every child will given right of access to upper secondary education, whether academic or vocational,

Education 15 not a matter just In general, the Government's of racial relations. It is evidence

Philip Bowring

ur maustries in Malaysia are so diverse we even have a plant to make oil.

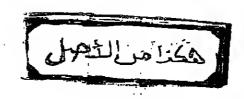
Our diversification into palm oil was just one of many exciting Dunlop developments in Malaysia. From our first plantation in 1910, and the opening of the first tyre factory in 1962, Dunlop activities in Malaysia have continued to broaden and grow. Present products range from earthmover tyres to golf balls, Dunlopillo bedding to cocoa, aircraft tyres to palm oil.

New initiatives include a joint venture tyre factory to be built in Kedah, whilst the replanting of rubber trees and expansion of palm oil and cocoa production continues.

Our business employs nearly 10,000 people, and in 1979 export earning reached M.\$.133,000,000.

As turnover and profits continue to rise. and we diversify even more, how can the future in Malaysia look anything but bright?







The day I kissed the wrong nurse

Dear Michael,

You may find that the shock of being knocked off your motorbike lasts an extraordinarily long time. But now that you bave come round from the anaesthetic, and are lying, relatively comfortably, in your hospital bed with that steel pin hospital bed with that steel pin bearded fellow at the end of through your tibia, you may the ward, holding a tiny well be wondering how you are "tranny" jammed against bis going to pass the next weeks. set. He gave a plaintive croak My own experience may not be of "yes."—"So you shall," I typical, but some of it may be mared, ripping out the head-worth passing on. phone jack and turning up my

You will of course have as large and varied a supply of books around your bed as Sister will allow. Apart from these, you must procure a decent cassette radio. Headphones are vital. They will enable you to listen after lights out, and this may prove very helpful in getting to sleep. During my first month in hospital I only got five proper nights' sleep; partly the result of inactivity, I suppose, but also partly a residual symptom of shock; I didn't solve the prohlem until I started sending myself to aleep with a returned to the concert. From that day on a young Scotsman who had been badly knocked about in a car crash, and whose hehaviour bad been egocentric in the extreme, would always appeal to me as the arbiter of his TV volume. "Not too loud. Ian?"—"No, Jock, that'a fine." listen after lights out, and this ing myself to aleep with a favorrite cassette. The important thing is to choose a cassette with an indestructibly beautiful piece of music, and to listen to the same cassette every night. I settled for a cassette with two Mozart piano concertos. It never bored me, even after another 30 nights. and I always fell asleep before the first concerto finished.

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concert on the radio, against the noise of three TV sets and five transistors, all playing fortis-simo on different stations. At last I could stand it no longer and bellowed: "Does anyone want to hear some Brahms?"

I had noticed, earlier, a radio to maximum volume. The effect was instantaneous. The duty staff nurse rushed out of her cubicle to screech: "Are you shouting at me?"—"No!" I yelled, "I'm shouting at them!" Hurriedly she got all the sets down to a modest forte, and 1 returned to the concert. From

First rule

Jock's problem, apart from his injuries, was that be could not get onto any kind of terms with the nursing staff, as if his pre-sence in the ward was a tiresome aberration which could be nnt right hy demanding to see The other reason for having some anonymons person in headphones is that most of the authority. "Madam!" he would other patients won't; not only call out, "Madam; I want to see will they not tolerate your a doctor!" The first rule in hospital, is to call all the nurses also drown it with Capital by their first name. This is, of Radio, which they tend to prefer course, quite against the regulato play very loud, for the rions, and some officious staff nurse may rebuke you: "There Even with beadphones, difficul- is no such person as Susan here!

around for an emergency to bappen, Nurse Briggs, who is, after all, only 20, would really prefer to be called Susan.

Anyway, early one morning, in the quiet interregroum between the night and the day shift, Jock suddenly called out "Susan?" I told him that she hadn't come on duty yet. Perhaps Jock was starting to get better.

Some of the patients could not be operated on for their

Sooner or later, however, all these recovered. 1 often apeculated silently how the nurses handled prob-lems of crisis, transitoriness, and death. I never found out. One day a man with aevere arthritis was put in the hed next to me. He was 76, and had come to get an artificial hip joint. When he came back from the operating theatre the

nurses went through the routine

was very painful to witness.

of bringing him round, and taking his blood pressure. Then, suddenly and quietly, they drew the curtains round nurse on duty began to rap out, calmly and cheerfully, orders ring and what to fetch; numties may still arise. One even- Do you mean Nurse Briggs?" Next day the elderly arting I was trying to listen to a Pay no attention. While waiting patient was right as rain.

of the incident. I said: "Susan, morning: unexpectedly the took my hand and said: "Ob yes, off down the ward.

will notice that the nursea never in the least expected to be in refer to "brain damage." The any danger. He had a much term used is "head injury," and more pressing anxiety. After with good reason. Several of his wife bad left to go home the patients in my ward be- he leaned across to me and haved in a peculiar way; one said: "You know, I'm much was known as "the phantom more worried about this bedpan telephonist" hecause he held stuff than I am about the long conversations on the trolley phone, though he had put ried about heing emharrassed; no money in, and the thing was and he didn't know that if not even connected to a socket. you're immobilised in bed for any length of time you can't even feel the so-called calls of smashed limbs until their heads began to get better, and that

Indignation

I tried to reassure him. "It's really quite all right: the nurses know about hedpans and bottles and all that It's tiresome, hut everybody puts up with it. It really is normal routine." Thereafter be thanked me effusively almost every day for the belp which, be alleged, I had given him; much more than I ever heard him thank tha nurses who bad saved his life. Ten days later he walked out of his bed, and the Australian staff the ward on his new hip. You will imagine my lodigation, having to wait two mooths for to the junior nurses; whom to my own hip to start working

not worry overmuch about never commented on my X-rays.

were you frightened, or were nurses drew all the curtains you excited because you were around all the beds, in silence. better than we expected." at last required to do something Ten minutes later they drew difficult, fast?" She gave me the curtains back again, still in the curtains back again, still in to be told the truth when it a non-committal smile, sald "I silence. Slowly we all realised matters, at least by the nurses. knew what to do," and walked that one bed, which had been After many weeks, Sister occupied, was now empty; an Makarios came to me one day Introduction of the freatment side, you had first arrived, he bad not will notice that the pursea never in the least expected to be in the freatment.

An interesting thing about round the ward. Yesterday be ont your pin this afternoon." I had been there, in pain. Today, paled. "You mean, here? Just had first arrived, he bad not he was not there. But later in like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "it would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that? Without an anaest the day the bed accepted a new thetic?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like that?" "Oh," she said. "It would be a small like almost tangible frisson ran and said: "We're going to take patient, and the amoeba-like won't hurt." That afternoon my relationships of the ward bed curtains were drawn: Sister shifted and moved and closed Makarios and three nurses

constantly changing, It almost

seems to be permanently fixed; self-perpetuating, seeking com-fort, making jokes and for-

getting pain. It is uncomfortable to realise that you cannot operate outside the group eovironment. l experienced one disagreeable incident which, because it was pin, and I gripped every avail-so much out of keeping with able hand in sheer terror. The so much out of keeping with the normal tenor of life, provoked me to complain to the hospital authorities. This got me nowhere. The bureaucrats seem far too husy with bureau-cratic power games to bother with patients. Nurses and

sisters are there for that Obviously tha sisters set the tone of the place. I don't remember anybody calling Sister Mackintosh anything hut "Sister." But her deputy, Sister Makarios, who celebrated her 24th hirthday while I was in the ward, was happy to be called Chrissie. One day Chrissie ran ioto tha ward with my newly-developed X-rays, saying: "I'm not allowed to show you these, but they're fantastic — look!" Don't expect any such spontan-eous reaction from the doctors.

I tried to get to the bottom them. I remember one early But his registrar, a quiet Indian, they are very good. It is much But you can probably expect

shifted and moved and closed Makarios and three nurses again. Although the group is gathered round me, and a trainee nurse was appointed to do the deed.

Recovery

A tool was attached—a cross between a corkscrew and a brace-and-hit—to the end of the trainee gave a twist, there was a crunch and a wrench, and the thing was out. It hadn't really hurt. In my excitement I kissed the wrong nurse, and then the right one, and spent two bours recovering from the shock. Do not be disturbed by such alarms and excursion. They have to

happen. You may wonder why I revest in this loose way, to the notion of shock. You may be of sterner stoff, but my traffic accident made my emotions much more susceptible than usual, as if a protective layer had been stripped away. Music, even very familiar music, would make me weep quite unexpectedly. I recall an afternoon radio programme about Tito Gobbi, in which a number of his most ring and what to fetch; numhers, explanations and dates.

Ward life is usually placid. They feel too important, too
culminating in the death of knee, "my first teacher used to you.

Next day the elderly arthritic hut crises do occur. You should blase or too old. My consultant Rodrigo from Don. Carbs. I say: If the patients aren't sweat
Yours,

played these records at home a enough!" Grunt. Push. Ow. bundred times." But I couldn't More recently I heard a variant stop tears pouring. This hap- on this theme: "If the patient pened with sonatas, symphonies. tires, change the exercise." You concertos. Music, it would seem. is subversive stuff. No matter what music does to your emotions, use it. You will need

·But you will also talk to your neighbours; and you will find that it is pretty easy actually to choose your neighbours. Chances are that one of your neighbours, already in the ward when you arrived will leave well before you do. A couple of days before he goes, if you have spotted someone in another bed who looks friendly and interesting, murmur discreetly to Sixer or one of the nurses, wondering gently and aloud whether Bill would like to be moved next to

I got a lot of agreeable conversation in that way, with a mini-cab drivar, with a hrick-layer who was an amateur poet, and with the manager of a disused gravel pit who explained at length that this ought to have been the perfect way to make a not-wholly-legitimate fortune— though he himself did not seem to be very rich. From several of my companiona I heard anecdotes about the police which would have interested the

you. I was surprised to find that the nurses seemed happy to

wheel the heds around; even

more surprised that Bill seemed

happy to be summoned.

Countryman investigators. When they finally get you ont of bed, do not he discouraged to find that your leg just won't bend at the knee. That is when the "physio-terrorists" will start on you in earnest. My thought: "This is ridiculous; I've ing you're not working hard

will be surprised, I think, at bow quickly your knee begins to work again.

After so much waiting, so many days and weeks of predictable routine, the end may be on you before you know it. Mine was a scramble. On a Friday morning they were talking of keeping me until the following Tuesday; by 4 p.m. I had talked them into letting me out that very afternoon. My wife arrived with a hottle of champagne and two suitcases. She opened them, and my jaw dropped. I stared at her; she stared at me. The suitcases were empty — no clothes to go home in. For-tunately Sister decreed that I coold go home in my red dressing gown. But it's easy, while weeping over Verdi, to accident affects other people,

Total loss

It is, I'm afraid, a period of total loss of freedom. It will be hard on your family and friends, too, but they will adjust, as you will. If visitors hring you fruit and sweets, I do advise that you hand these over immediately to the nurses - if not oot of gratitude, at least out of policy. When your children come to visit, they will certainly not sit quietly by your bed for 40 minutes, hut will run down to Sister's office to aee what they can scrounge. You might as well huild np a credit balance. And keep drinking your tea, seven times a day, seven days

Yours,

Letters to the Editor

Agricultural

From the President, -

National Farmers' Union Sir, — Although I did not agree with all the points made by Margaret van Hattem in her four articles on the common agricultural phlicy, I found the fact that in her last article (March 27) she listed some of the real achievements of CAP particularly welcome.

I must, however, disagree with her remedy for the policy's problems - a price freeze lasting for several years. The National Farmers' Union Deflation and policy for products which are inflation the EEC at around 12 per cent and rising, Miss wan Hattem's proposal goes beyond prudence and would be an insupportable attack on Enro- challenges the case made in my pean farming. I cannot believe letter of March 7 for the estabthat any other industry would lishment of a Currency Com-be expected, or even asked, to mission. He asserts that "the suffer snch a savage price reduction Last year alone net income per farmer in the EEC fell by 7.7 per cent in real terms and since 1973 the trend. has been for farm incomes to fall further and further behind average earnings. If prices were reduced in the way Miss van Hattem suggests the pressure on farm incomes would become even more severe, with dire consequences for employ-ment and the balance of payments which she rightly

would suffer particularly from a accompanied by wholesale des-price squeeze, as a result of truction and restriction in the our higher than average production of food and goods. inflation. UK farm incomes are estimated to fall again this year for the third successive year. Given our advantage of efficiency, British farming can reasonably expect to expand within a fairly operated CAP. If there were a long-term price freeze we would surely contract, particularly since Governments without the financial constraints of our own would certainly find national means supporting their own

I find it surprising that Miss. van Hattem, who criticises CAP for its reliance on the price mechanism as the sole instrument of policy, should auggest that necessary reform can be brought about by a price freeze alone. The problems of over-production are complex and we advocate a range of structural policies, such as incentives to switch from dairying in addition to a prudent price policy. R. C. Butler. Agriculture House, Knightsbridge, SWL

Airmail via the Tube

From Mr. N. Albery Sir,-On February 15 you published my suggestion that there should be a slot cut in the side of each Piccadilly line tube and posting boxes fitted so that members of the public could post express air letters destined.

for Heathrow flights.

We bave discussed several of bombs, the costs of a sorting staff at Heathrow, and the likely reactions of the unions, hit none of these seem insuperable. The real problem is the likely rate of usage.

My costings show that the service would break even with about 300 letters (and small packages) a day (at a total fee of £1.25p per item). I am convinced that the service would attract far more items per day.

Nicholas Albery. 107, Freston Road, W11.

From the Honorary Secretary, Economic Research Councile Sir - Mr. John Mills (Mar. 21)

mission. He asserts that "the collapse in 1929 had nothing to do with money supply." In fact, it was the failure of the Federal Reserve to carry out its task of maintaining the liquidity of the U.S. banking system which was the main factor in the subsequent collapse...

The depression in the UK, however, bad started prior to 1929, the return to the gold standard in 1925 started a defiationary trend, culminating in nearly 3m unemployed by 1930. The outward and visible aign of cap major achievements of this deflation, clearly shown below, was the appreciation in the purchasing power of the £, would suffer particularly from a accompanied by wholesale descent

production of food and goods. Since 1945 a steady erosion in the purchasing power of the £ has taken place, as shown below. This is the outward and visible sign of inflation, which has, of course, worsened considerably

Deflation and Inflation in Britain

1914 20 0 1950. 6 3 1955 5 0 1940 10

7 10 1945 The aim of monetary policy should be to maintain the director on a 60 per cent marliquidity of the monetary system at such a volume that the general price level is beld constant, which we have signally failed to do since 1914. If a the stability of the purchasing power of the £ had been in existence, it could, I suggest. have played a significant part in preventing pre-war deflation and post-war inflation and stopgo policies by ensuring that the money supply was closely related to the output of goods Wimbledon, SW19.

Edward Holloway, Economie Research Council. 55 Park Lane, W1.

Sharing the profits

From Mr. A. Gray.

This suggestion has since in Sir, — With the publication volved me in two meetings, one (March 21) of figures from with the GPO and one with Lon-Rolls-Royce, showing that most don Transport, and a long of the 55,000 employees in its correspondence with Sir Horace aero engine factories are receiving bonuses representing pay is less than it should be. It is

dozen snags, such as the dangers cent and 20 per cent on average, at the disposal of most union although in some instances 30 head offices are hopelessly per cent increases are being inadequate to enable them to recorded, coming only weeks after the figures from the John for their members. It is cer-Lewis Partnership where the average bonus payment was £608 for each of the 24,000 members, is this not showing us a direction to follow to cure wage inflation "? If there is the possibility of, labour in Britain.

let us say, a 15 per cent bonus in a year's time, would it not be reasonable to accept a 5 per cent or even nil increase settle- own argument - that weakenment in the now institution- ing still further the infigence alised ritual called the "annual pay round" hy any employees in that situation? Such a settlement would allow the manage- on union membership agreement to price its products com-petitively, and hopefully this improve. British industrial would increase turpover and. capacity utilisation of plant and machinery, and profits should increase substantially, thereby providing the truly earned pay increase which everyone is say-

ing is so necessary. Clearly the manager cannot promise a 20 per cent pay rise ahead of the coming year's business because he does not know how much he will sell, and yet most wage negotiations today seem to take no account of this simple reality.

In an attempt to encourage and institutionalise cash profit sharing (which is far more effective that issuing new equity to the generality of employees) it would be sensible to give businesses the right to distribute up to IO per cent of pre-tax profits, free of tax on the donor and donee, provided that the money was divided he-tween all the employees equally. Such a condition for the bonus fund would be mandatory and would allow everyone to feel fairly treated. For instance, a £400 tax-free bonus to a man earning £5,000 pa would be worth £571 or an 11.4 per cent pay increase, whereas to the

1914-1970

1914-1920 wartime inflation 1925-1931 deflation (gold standard)

1950-1970 postwar inflation

ginal tax rate earning just over £25,000 it would be worth £1,000 or a 4 per cent pay increase. Employees would immediately be made aware of the Currency Commission, charged benefits of strike-free produc-with the task of maintaining tion and the visible sharing of profits in this manner could unify "the two sides of indusand belp to re-establish Britain as one of the leading manufacturing, low inflation-rate nations of the world.

Adrian Gray. 31, Russell Road,

Industrial relations

From Mr. D. Cockroft

Sir,-Your editorial weakness of unions" (March 20), is one of the most perceptive pieces written in a national newspaper about the British trade union movement for some time. It is certainly true that the authority of full-time officials (and union executives)

increases of between 15 per certainly true that the resources do a proper professional job tainly true that the position of the TUC vis-a-vis its affiliated unions and their members is nowhere near strong enough to enable it to act effectively as the coherent voice of organised

What a pity then that your editorial omitted to draw the inevitable conclusion from its unions' central organisations by means of state financed ballots or artificial restrictions relations. David Cockroft.

Rue de la Fontenette 27, CH-1227, Carouge/Geneva.

Selecting a market

From Mr. J. Hazel

Sir,-Dr. Graham H. Ray (March 25) emphasised that the entrepreneurs to back are those operating in "rapid growth" environments, with which we

He might bave gone on to say that this meant selecting a mar-ket or market segment with a potential of rapid growth.

An entrepreneur entering a rapidly growing market with say a starting market share of per cent is almost bound to succeed whereas an entrepreneur with 50 per cent of a declining markat is almost doomed to failure. The entrepreneur's skill is in having the ability to recognise where rapid expansion is possible. John Hazel.

Wovelrod Farmhouse, Nr. Alton. Hants.

The grass is growing

From the chairman, Kent Perennial Ryegrass and Wild White Clover Committee

Sir,-Having read Mr. Arthur Hellyer's article "Ryegrass is growing" (March I5) I should like to endorse his remarks on the value of certain varieties as amenity grasses.

What is a little surprising is his failure to mention Kent Indigenous Perennial Ryegrass, a progenitor of \$.23, which has for many years been used for amenity and sports ground purposes. The variety Romney, which is a later heading selection has, in fact, given rather better results than S.23 in trials carried ont at the Sports Turf Research Institute. Both these Kent varieties, having been hard grazed by sheep over the centuries, are renowned for their persistence and speed of recovery after heavy punishment and this makes them particularly suitable for playing fields, football pitches etc. ·

they also bave the advantage of not being subject to royaltles which the imported and newly bred varieties attract, Geoffrey B. Richards Lacton Manor Farm,

In these days of tight money

Today's Events

GENERAL

UK: National Union of Teachers cooference, Winter tribute luncheoo to Dickle Hen-Gardens, Blackpool (until April derson, Savoy Hotel, London. Teachers cooference. Winter

National Association Schoolmasters/Union of Women eachers conference, Royal Hell,

Variety Club of Great Britain Association of Olinical Patholo-gists conference opens, Hotel

Majestic, Harrogate (until April

Yeachers conference, Royal Hell.

Netional Model Railwey Exhibition, Central Hall, Westminster (until April 12).

Tuppenny Starvers (1 diameter buns) to congregation at St. Michael-on-the-Monntat St. Michael-on-the-Monnt-Without, St. Michael's Hill.

OFFICIAL STATISTICS Department of the Environ-ment publishes housing starts and completions for Fehruary.

Traditional distribution of COMPANY MEETINGS appenny Starvers (1 ft See Financial Diary of See Financial Diary of page 20. COMPANY RESULTS

Final dividends: Barton and Sons, East Rand Coosolidated. Erith, Rowan and Boden. John C. Small and Tidmas. Interim dividends: The Highland Distilleries. Interim figures: Pyke

As New York's oldest bank, we financed the trade of our young nation.

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THE BANK OF NEW YORK HEBANKOF NEW YORK

London Office: 147 Leadenhall Street, London EC3V 4PN Main Office: 48 Wall Street, New York, N.Y. 10015 Incorporated with limited liability in the State of New York, U.S.A.

Stability in Malaysia should help Yule Catto

continuing success of Yule Catto and Co.'s plantation interests in that country, says Lord Catto, chairman, in his annual statement.

However, cooditions for prosperity in the UK look less attractive in the short-term, be

Pre-tax profits rose from £2.8m to £3.39m in the year to October 27, 1979, as reported on Fabruary 26. The main contribution came from rubber and oil palms, with against

THE POLITICAL and economic construction of an oil palm mill stability of Malaysia augurs well was sanctioned during tha year for the continuing success of The 20-ton-per-hour mill, capable of handling the company's total barvest is being built on Sedenak Estate at a cost of M\$5.3m and is expected to be operational early in 1981. Group fixed assets totalled £9.56m (£9.74m) at the year end. Current assets rose from £6.6m to £10.03m, while current liabilities increased from £3.83m

The Scottish

Eastern Investment

Trust Limited

A member of The Association of Investment Trust Companies

Annual Report Year Ended

31st January 1980

Geographical Distribution of Portfolio

Highlights

Review of Year

• End of dividend controls increases earnings by 31.8% • 'Special' dividend of 0.35p out of non-recurring income

• Dividend growth over 5 years outpaces Retail Price

• Removal of exchange controls ends dollar premium

Excellent performance of U.S. investments in dollar

Policy and Prospects

U.S. industry continues to offer attractive investment

Copies of the Report and Accounts may be obtained

from the Managers and Secretaries.

Martin Currie & Co., C.A., 29 Charlotte Square, Edinburgh EH2 4HA

30th APRIL 1980 REDEMPTION

TRANSALPINE FINANCE HOLDINGS S.A.

U.S. \$25,000,000 634% Loan 1983

REDEMPTION OF BONDS

DRAWING OF BONDS

 000003
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Principal Paying Agent: N. M. Rothschild & Sons Limited, New Court, St. Swithin's Lane, London EC4P 4DU.

1980, from which date all interest thereon will cease. The following are the numbers of the bonds drawn:

Pressures of worldwide inflation restrict outlook for

Capital expenditure essential for future of U.K.

Opportunity to diversify further internationally

following removal of exchange controls

• Further improvement in revenue expected

U.K. 62.8% North America 29.0% Far East 3.1%

Earnings per Ordinary Share

Elsewhere 5.1%

Index

terms

growth

opportunities

Total dividends per Ordinary Share

Net Asset Value per Ordinary Share 86.9p

BSR reveals £5m loss on current cost basis

aound reproduction and con-sumer products group, reveal a fall from pre-tax profits of £8.29m to losses of £5.04m on a current cost basis for the year to January 5, 1980.

Historic profits dived to £3.88m (£15.17m), as reported on March 13. The trading surplus fell from £15.42m to liabilities increased from £3.83m to £5.82m, including bank overdrafts of £1.17m (£0.41m).

There was a net outflow of £7.82m, and was struck after fuods during the year of £2.81m (£0.93m inflow).

Meeting. New Bond Street Rouse, W, on May 1 at noon.

1979

2.55p

2.40p

90.2p

1980

3.36p

ment of £2.71m (£1.69m), and additional dapreciation of £3.07m (£3.28m). However, there was a favourable gearing adjustment of £2.48m (£0.98m). of £2.48m (£0.98m). The balance-sheet, on historic

terms, shows current assets at £99.53m, against £101.33m, including short-term deposits and bank balances of £8.59m bank balances of £8.59m (£13.65m). Current liabilities amounted to £58.31m, against £49.33m, with bank overdrafts and short-term loans at £32.81m (£19.31m). Long-term loans totalled £3.19m (£0.56m).

Nat liquid funds fell by

£18.05m, compared with £11.43m. Mr. John Ferguson, chairman, aaid when reporting the preliminary results that overall unit sales for the sound reproduction division were slightly lower so far this year when compared with 1979. Consumer products division sales for the first two months showed an improvement over last year, but he doubted if the trend would cootinue. With margins under pressure.

contain costs by new designs and reduction of manning lavels, overbead expenditure and working capital requirements, he

Meeting, Savoy Hotel, WC, on April 28 at 11 a.m.

Expansion at E. Upton

£5.01m to £5.65m, pre-tax profits of E. Upton and Sons, departmental stores operator, expanded from £277,406 to £331,274 for the year to January 29, 1980. At midway the profit improvement was from £76,325 to £97,329.

Yearly earnings per 25p share rose from 7.21p to 8.88p and the final dividend is 2p for a bigbar total paymant of 2.75p (2.487p)

The tax charge at £172,300 (£147,716) leaves the net balance up from £129,690 to £158,974.

BIDS AND DEALS

Henderson-Kenton £6.6m over book on revaluation

Henderson-Keoton, the furniture retail group currently the sub-ject of an agreed bid by Harris Queensway, has thrown up e surplus of £6.6m over the book value of £3.6m.

As a result net tangible assets per share amount to 179p, the offer documents reveal. Harris Queensway's cash offer is for

20p.

If the offer succeeds—it has already been irrevocably accepted by the Board and shareholders representing 35.5 per cent of the equity— Henderson-Kenton will be absorbed within a division to be called Harris Furnishing which will also include 50 of the Hardy and Co. (Furnishers) stores acquired duriog last year's takeover.

A pro forma statement of the oet assets of the combined group (based on figures for Harris at last December and for Hendersoo the previous March) show total borrowings of £24.3m. Net assets amount to £28.35m including net current liabilities of £9.38m. Harris' own borrow ings bad increased from £11.3m to £15.5m between December, 1978, and March, 1980.

HAWKER SIDDELEY
ACQUIRES FASCO
Hawker Siddeley Group hascompleted its acquisition of
Fasco Industries Inc., a privately
owned U.S. corporation, for
\$100m in cests

3100m lo cash. Fasco manufactures fractional horsepower electric motors for use in e wide variety of consumer and commercial products, electrically driven products for domestic and commercial pre-mises, and pressure and tem-

ALLIED PLANT Allled Plant Group has condi-tionally agreed to buy M. Walker and Son, Hull-based plumber and heating engineer, for £200,000. Completion is conditional on

an accountants' investigation into Walker, satisfactory to APG. The consideration is peyable at completion by way of 500,000 APG ordinary abares, to be issued at 35p with the balance of £25,000 in cash. New shares will be entitled to the final dividend for 1979.

The net tangible assets of Walker, as at March 31, 1980, are expected to be £200,000. Additional consideration of up to £200,000 (in shares at the then

PROPERTY revaluation at market value or cash at APG's optioo) will be paid provided pre-tax profits for the two years ending March 31, 1981, reach at least £250,000, such additional consideration being reduced pound for pound if profits fall that of the £250,000. sbort of the £250,000.

Walker's profits for the year ended March 31, 1979, were £65,000. They are expected to be £100,000 in 1979-80 and about £150,000 in 1980-81.

Marsh bid delay

Marsh and McLennan, the large U.S. broker which is hidding for C. T. Bowring of the UK, bas snpplied additional information about its bid to the U.S. justice department. This will result in a deley of the offer.

In an announcement, the company said the information was supplied to the anti-trust division of the department in accordance with the Hart-Scott-Rodino act. This lays down disclosure and timiog requirements for takeovers in the U.S.

There was oo suggestion that the department's request was anything but routine. However, Marsh will oot be able to pro-ceed with its £237m bid until 20 days after the material was sub-

F. BURGESS NORRINGTON

Frederick H. Burgess now holds S6.7 per cent of Henry Nortingtoo and Son, and the offer has been declared uncoodi-tional. The offer has been cent, or 2,957.252 5p sberes, of Norringtoo. The shares over-which Burgesa held the options bave been included in the total.

FT Share Information

The following securities have been added to the Share Information Service appearing in the Finencial Times: —
American Hospital Snpply (Section: World Markets—New York). Child Health Research (Investment Trusts). Keep Investment Trust (Investment Trusts). Nickelore (Mines-Australiao). North Sea Assets (Oil and Gas). Webber Electro Components (Electricals).

BOARD MEETINGS

Transalpine Finance Holdings S.A. announces that for the redemption period ending on 30th April 1980 it has purchased and cancelled bonds of the ebove loan for U.S.\$1.790.000 nominal capital and tendered The lollowing compenies have notified detes of beard moetings to the Stock Exchange. Such meetings are usually held for the purpose pl considering dividends. Official indications are not available as to whether dividends are interims or linels and the sub-divisions shown below ore bosed meinty on last year's timetable. The nominal amount of bonds to be drawn for redemption at par on 30th April 1980 to satisfy the Company's current redemption obligation is accordingly U.S.\$485,000 and the nominal amount of this loan remaining outstanding after 30th April 1980 will be U.S.\$6,800,000. npwn below ore and the state of Notice is accordingly hereby given that a drawing of bonds of the above loan took place on 19th March 1980 attended by Mr. Keith Francis Croft Baker of the firm of John Venn & Sons, Notary Public, when 485 bonds for a total of U.S.\$485.000 nominal capital were drawn for redemption at par on 30th April

Currys Jaroms (S.) Grand Charters and Trust...
Scottleh Morrgage and Trust...
Standard Chartersd Bank ...
Standard Telaphona and Cabloo
Triplevest

M. J. H. Nightingale & Co. Limited

£000°s capitalisatn,	Company	Lact	Chango an week	Gross Olv (p)	Yiold %	P/E
3.642	Airsprung	63	-2	6.7	10.5	3.7
700	Armitage and Rhodes	28	-1	3.8	13.8	1.8
7.790	Serdon Hill	255	_	13.8	5.4	7.5
800	County Cors 10.7% Prf.	80	_	15.3	19.1	
6,696	Deborah Ord	97	-1	5.0	5.1	10.7
4,012	Frank Horsell	107	+2	7.8	74	6.8
14.158	Fredorick Parker	98	~ 2	12.a	13.1	4.5
2,278	George Slair	107	+1	16 5	15.4	_
1.750	Jackson Group	70	_	5,2	7.4	4.11
15,734	James Syrrough	114	_	7.2	6.3	10.0
2,754	Robert Jenkins	270	+10	31.3	11.6	8.61
3.395	Torday	220	+4	14.3	8.5	5.7
2.457	Twinlack Ord	111,	-3	0.8	7.3	2.21
	Twinlock 12% ULS	79	+3	12.0	15.2	_
6,399	Unilock Holdings	49	+2	2.a	5.3	10.4
1.07B	Unifock Hidgo, New	49	_	_	_	10.4
12,507	Welter Alexandor	99	+3 -	44	44	5.8
4.341	W. S. Youtes	186	+2	12.1	6.S	3.01

† Accounts propared under provisions at SSAP 15.

| 015340 | 01586 | 015614 | 015651 | 015678 | 015767 | 015866 | 015965 | 015972 | 016223 | 016227 | 016711 | 016711 | 016718 | 016744 | 016755 | 017678 | 017678 | 017678 | 017678 | 017678 | 017678 | 017678 | 017678 | 017678 | 017678 | 018778 | 018778 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 019958 | 01 024272 024429 024438 024415 024158 024171 024527 024529 023755 024758 FINANCE FOR INDUSTRY TERM DEPOSITS Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 Witness: K. F. C. Baker, Notary Public. The above bonds may be presented for payment of the proceeds of redemption at par on or after 30th April 1980 at the offices of the paying agents named on the coupons in the manner specified in Condition 5 of the Terms and Conditions of the Loan prior ed on the bonds. Each of these bonds when presented for redemption must bear the coupon dated 30th April 1981, and subseque of coupons, otherwise the amount of the missing coupons will be deducted from the principal to he repaid. years, interest paid gross, half-yearly. Rate for deposits received not later than 18.4.80:

Terms (years) 3 4 5 6 7 8 9 10 Interest % 141 141 141 141 141 141 142 142 Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Weterloo Road, London SE1 SXP (01-928 7822, Ext. 367). Cheques payable to "Bank of England, a/c FF1." FF1 is the bolding company for ICFC

Caution over profit at Squirrel Horn

Squirrel Horo, sweets manufac-turer, but price increases al the start of the year and an effort to scale down costs to a lower level of production should help to improve profitability, says Mr. John Hardy, chairman, in. his annual statement

However, he adds, "some must be guarded when thinking in terms of profits in the present year."

The pre-tax surplus fell sharply from 5626,664 to £381,333 in 1979, with second-half profits diving to £63,436 (£243,256), as diving to £63,436 (£243,256), as reported on March 1. On a CCA Current assets were down basis, taxable profits are reduced to £158,692 (£453,397).

The dividend is raised to £1825p net (1.5104p adjusted).
Future dividend policy, have ever, must be closely related to the profits the company can earn and another year of disappoint and another year of disappoint ing profit would require a £449.872 (£178,422 increase).

Demand is still depressed at critical examination of the divi-

critical examination of the divi-dend rate, he adds.

But the long-term future for the company must be good, he says, and it is to be hoped that measures aiready taken and being taken will, in due course, mean that the results for 1980, will not be disappointing. The level of capital expendi-ture recently gives the directors the best grounds for optimism in the future, and they are satisfled that the company will be well placed to produce high quality goods at competitive prices when demand increases.

R. Martin £20,000 lower at halftime

Announcing profits before tax £20,000 lower at £268,000 for the the directors of R. P. Martin and Company, say they are bopeful that the profit trend will be maintained in the second half. Trading results of the New York subsidiary of this foreign archange and currency broker exchange and currency broker are still impairing profitability and the directors are giving particular attention to rectifying this situation.

The net interim dividend is maintained at 1.5p, on earnings of 2.4p (1.5p) per 5p share. Last rear, on profits of £494,000 (£632,000), a total dividend of 3p was paid.

Half year turnover rose from \$2.4m to £3.21m and the tax charge for the period £170,000 (£225,000)

On the instruction of Morgan Guaranty Trust Company of New York

MORGANHOUSE

London EC2

Remaining office floors of 6,100 sqft To Let in this most exciting office building in the heart of the City



"Strong financial base for growth"

Extracts from the Statement of Mr. Howard Hicks, Chairman and Chief Executive:—

Group trading profits before tax were £1,254,002: A credit of £2.8m was written back into the profit and loss account as a result of recent legislation on stock relief. It was felt that it was an opportune time to revalue the Group's properties to show a more realistic net asset value for the Group. The revaluation showed a surplus of £2.9m which has been transferred to reserves.

In the light of the above your Directors are recommending that a capitalisation issue be made, giving three new shares for every two held. The recommended final dividend is 8.75p per share, making a total for

A Land

Section 1885

Most Group activities have been extremely busy over the past year and a number of famous names have been added to our clientele. European subsidiaries had their busiest year since inception, being involved with

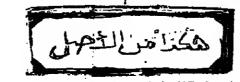
major projects in Holland and Belgium.

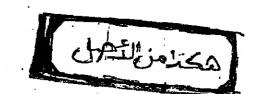
The Group's order book is sound and the anquiry level excellent but decisions are being delayed. The effects of suicidal industrial action are being felt and site programmes are being disrupted. One can only hope that common sense will prevail and the country will get back to normal working as quickly as possible, otherwise the steel strike will have very serious effects on us and a wide cross section of industry.



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In our 84th year in London The Morgan Bank has a new House



At Morgan Guaranty Trust Company's new London home are Alfred M. Vinton Jr., vice president and general manage of the bank's offices in London, left, and Neil D. Chrisman, senior vice president, British Isles and Scandinavia

Beginning this morning, the principal London office of Morgan Guaranty Trust Company is in Morgan House, a striking new 21-storey building in the heart of the City.

We've moved from 33 Lombard Street, where on 1st March, 1897, we opened one of the first overseas branches of an American bank. Morgan House is at 1 Angel Court, between the Bank of England and the Stock Exchange. Its distinctive 15-storey tower rises from a six-storey podium block.

We're proud to be doing business on this site, rich in City tradition. Since 1556 the land has been owned by the Clothworkers' Company, a craft guild. The Clothworkers built and own the building.

Morgan's start in England

Our own roots in London go back quite a way. It was 1854 when Junius Spencer Morgan came here to join the merchant banking firm of another American, George Peabody. A few years later Mr. Morgan's son Pierpont founded, as an offshoot of the London house, the New York firm of J.P. Morgan & Co., one of our predecessors.

The Morgan Bank's other forebear Guaranty Trust Company, started our office in Lombard Street with two people. Today our London staff numbers more than 1,100. (Our International Private Banking office continues at 31 Berkeley Square, and our operations centre remains at Stratford.)

Keeping up with growth

Over the years we expanded the Lombard Street quarters several times—and rebuilt them after they were demolished by a direct hit during a 1940 bombing raid. To accommodate our growth in recent years, we leased space in various parts of London. Now, at Morgan House, our services to corporations, financial institutions, and governments are concentrated at one location. They

include sterling and Euro-currency lending, project finance, international money management, foreign exchange dealing, international investment management.

One of the highlights of our new home is the foreign exchange dealing room, equipped with what we believe to be the most sophisticated information system yet devised for a financial installation. Each of the 58 dealing positions has instant access by video screen to current market data on all major currencies. Communication with trading rooms in other Morgan offices around the world is continuous.

Looking ahead with London

Morgan House is a statement of our belief in London's continued leadership in international finance. Our 83 years in Lombard Street are a record for an American bank in London. We'd like to surpass that record at Morgan House.

The Morgan Bank

CREDITS Still looking for higher spreads

that the long-awaited mandate for Argentina's Agua Y Energia Electrica was finally awarded to a group of four banks com-prising Banco de la Nacion Argentina, Canadian Imperial Bank of Commerce, Credit Commercial de France and the Kreditbank International group.

The credit is for \$150m over eight years and the terms provide for a split spread of { per cent for the first four years, rising to 2 per cent thereafter. They are thus substantislly the same sa those on the highly successful deal for the State-owned oil company, Yacimientos Petroliferos Fiscsles, arranged last

An important feature of the latest deal was that competition for the mandate was keen. The result bas been that, at least in this case, spresds are not yet rising despite expectations that this would bappen after the latest U.S. economic package.

The basic question in this market thus remains whether it will move decisively in favour of the lenders—and if so when the moment the answer is still obscured by the fact that many borrowers continue to hold back because of the very bigh level of interest rates.

Brazil, for example, has not yet decided on s follow-up deal for its \$250m Petrobras borrowing. Czechoslovskia, which wss bolding intensive discussions with banks earlier this year, bas not reappeared in the market even though the benchmark \$250m loan for the Hungarian Nstional Bank has now been clearly successful.

Terms for borrowers such as these would not be easy to set at present, although when such deels do finally materialise there could well be signs of an upward shift in margins on a selective basis.

Something of a crack in the ice did appear this week with Greece, which bas a relatively substantial borrowing requirement this year. The country's central bank opted to keep the market sweet with a } per eent spread throughout on its eightyear \$450m credit. This is a slight concession to the banks when compared with the spread of 4 per cent over 10 years oo a \$500m credit arranged by the same borrower last Nnvember.

FROM APRIL 8, 1980

INTERNATIONAL BONDS

BY OUR EUROMARKETS STAFF

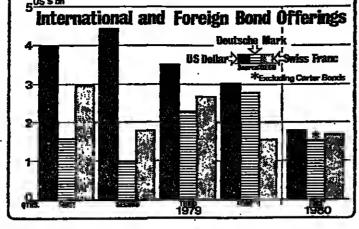
Waiting for the final assault

TURNOVER ON all major sectors of the international bond merkets dwindled last week But for a period preceding a boliday closure, there was a more than usual feeling of suspense around. The markets seemed poised for something, but the question nobody seemed able to answer with certainy was poissd for what.

With prime rates up to 20 per cent the air for borrowers wss getting rather thin. So long as short-term rates continue to climb the dollar Eurobond market remains weak, but now it begins to look as if the peak could be close. Longer dated dollar deposit rates eased somewhat last week; shorter dated rates may, in the view of many, bave somewhat further upwards

But when the turnround finslly does emerge the Eurobond market could rally sharply. This prospect may explain why many dealers last week reported a reluctance to sell at present levels. With professional short-covering, and a steady trickle f retail demand, prices actually managed to put on ? point on

sverage. The problem of assessing the future trend of the Eurobond is bard to say how the currency market is, however, not only would fare without this prop. U.S. intarest rates. Overbanging any strong recovery is the



large number of potential new issues, particularly by governand supranational agencies. The chart shows how the long bear market bas reduced the volume of dollar bonds to a trickle.

Then there is also the question of the dollar itself. It rose above DM 1.97 on foreign exchange markets lsst week. This reflects a market obsession with interest rates, but it If it weskened, some of the benefit to the bond market of lower interest rates would be

lost. On the other hand, dollar bonds would benefit enormously from a combination of a strong dollsr and declining ioterest rates.

In spite of continued weak-ness in the currency and rising interest rates, the emergence of the 10 per cent coupon was a tonic for the primary market in D-Mark bonds. The tone was set at the beginning of last week by the success of 10-year 10 per cent securities issued by the West German Government. These were oversubscribed, with the result that some of the enthusiasm of domestic invesThis appeared, on the face of

it, to be quite a monthful for a market whose Capital Market Sub-Committee had limited the monthly quota of new issues to one DM 200m private place-ment for IBM. In the event, there was particularly strong demand from both home and abroad for the 10-year tranche of World Bank paper, with its 10 per cent coupon and price of from DM 150m to DM200m but the bond was still quoted at 1001 on Thursday night. The six-year tranche was held at DM150m, the pressure of demand for the shorter paper being somewhat less. :

The success of the World Bank issue raises the possibility that another DM issue for e supranational agency could be accommadated soon. But it probably represents a "window" rather than a "turn." The weakness of the currency, the rate of German wholesale price inflation, the German current account outlook and the level of interest rates in the U.S. all continue to suggest that the direction for sbort-term interest rates in five-year issue, which bears a Germany is upwards and that coupon of 144 per cent.

two-tranche bond arranged by Deutsche Bank for the World

U.S. DOLLARS

*Japan Synthetic Rubber Co. (g*teed IBJ)

FRENCH FRANCS

‡EDF (g'teed France)

Yields on Swiss franc bonds

ment Bank for which terms

In the French franc sector

meanwhile, an issue price of par

was set for EDF's FFr 400m

have yet to be set.

SWISS FRANCS

t**Austria

işDenkî Kagaku Koyge D-MARKS

The amount was raised market remains. too, seem set to rise a bit more in the absence of any decline in sbort-term U.S. interest rates

1985 \$§Denki Kagaku Koygo ** Plecement. † Floating rate in les and Exchange Commission. Yields are calculated on AIBD

the shadow over the DM bond | U.S. BONDS BY STEWART FLEMING

100

Nikko Secs.

T1.880

10.184

14.250

Restraint goes on

Gains of ? points on average reported for Swiss franc fureign A GROWING conviction that week included the ending of the the Federal Reserve Board is U.S. Treasury's \$190n new bonds last week were largely the result of a shortage of new This is likely to change soon as the major banks have now on the U.S. credit markets in order to fight inflation helped long-term bond prices to mainset April 16 to 22 for their first issue since the market entered tain some stability again last week, in spite of continued a voluntary pause a month ago. This will be a SwFr 80m issue turmoil in the shart-term money for the Interamerican Develop markets.

CURRENT INTERNATIONAL BOND ISSUES

1990

1985

Av. life Couper

But there is as yet no consensus developing about where the central bank's renewed antiinflation effort is leading U.S. ning to suggest that perhaps prime lending rate, are nearing quarter, the Fed has come close their peaks for the current to keeping its money supply economic cycle. But others are growth on this measure within axpressing concern that con- its 61 per cent long-term target tinned demand for credit could But it is the uncertain outlook drive rates yet higher.

of the consuming uncertainty. But even a 25 per cent prime rate is something the markets are having to think about, unlikely.

The factors which helped the long-term bond market last

U.S. INTEREST RATES -month Treas, Bill I-month Coml. Paper

determined to maintain the financing programme and what pressure of monetary restraint J. Henry Schroder Bank and Trust describes as "a growing conviction that feeling in the markets that a recession is/was taking shape." Some analysts are beginning to predict that the forthcomic

economic data will, like la week's rise in unemployment to 6.2 per cent, show further weakening of activity. Others inflation effort is leading U.S. ere drawing encouragement interest rates. Some money from a slight \$100m decline in market economists are begin- both the MI-A and the MI-B measures of the U.S. money short-term interest rates. in supply in the latest banking cluding the commercial bank week. Thus, during the first for the short-term credit market Just how much higher is a and the possible implications of question which is being developments there for the long-addressed reinctantly, in view bond markets which is worry. ing some analysts.

Dr. Henry Kaufman, Salomon Brothers' economist, points out: "The demand for short-term although such a figure is business credit has not yet generally dismissed as highly abated ... thus far it appears abatedthus far it appears that business borrowers who are willing to pay market rates of interest are still finding credit available."

Others point out that, even when the economy has turned down, credit demand initially tends to remain strong, and this is likely again to be the case, particularly since the option of re-financing business in the bond markets is so limited by the collapse that has occurred in bond prices.

SWISS BANKS

Chasing long-term money

SWISS BANKS are scrambling to raise money on the country's domestic bond market. This unusual phenomenon follows diffinotes as interest rates rose over the past year. It has been an important factor in pushing up the yields of domestic bonds and some bankers say the effect strong interest. bas even spilled over into the foreign bond sector.

In the domestic loan calendar offtake of SwFr 2.2bn, The Swiss Government is tn raise

utilities and industry. From the investors' point of view this is an unwelcome development. They feel They culty in selling medium-term saturated with bank bonds and would like to see more paper offered by industrial concerns. On the rare occasions that such an issue is floated it attracts

100m 12-year 51 per cent bond issue offered et par last week by for the current quarter banks Ciba Geigy closed oversubthe Swiss National Bank in one account for no less than scribed. Allotments are in be specific sector, the Kassen-SwFr 1.2bn ont of a total fresh reduced even though the bonds obligationen or medium-term were priced very finely seconding to many market observers, their nwn name. The rate m SwFr 400m in new money and By contrast, a SwFr 175m five-these has a great domestic sig-this leaves only a relatively year 5 per cent issue floated at nificance as it forms the base small share for other borrowers, par by Swiss Bank Corporation for calculating morrgage rates, including cantumal governments, fell below its issue prica in But the effect of the central

market despite news that it, too, was oversubscribed. Banks involved in the primary

market admit that they are con-cerned by this development but add that there is little they can do. It goes back to a fundamental problem in their balance sheets arising from the turn-Thus, for example, a SwFr round in the interest rata trend that began last year.

This trend was resisted by notes issued by the banks in

initial dealings on the secondary hank's restraint as far as the longer term business. This has banks were concerned was to driven them on to the bond dry up the supply of funds flow- market in force. ing into Kassenobligationen as clients switched into more lucrative short-term deposits. At two major banks, UBS and Credit Suisse, the amount of mediumfell slightly last year, while at the moment banks are paying 64 Swiss Eank Corporation the per cent on time deposits of one growth was a modest 0.5 per cent. At the same time total growth in the three At these rates the problem institutions was 10,5 per cent, remains unsolved and the banks

> The banks thus found them- on the domestic market for selves short of funds to finance some time.

> What is needed to restore the helance is a more normal relationship between short-term deposit rates and rates on term notes outstanding actually medium to long-term money. At

> > year and only 51 per cent on eight-year medium-term notes.

BY PETER MONTAGNON

16 per cent, and 9.4 per cent look as though they will continue to dominate new issue activity

FT INTERNATIONAL BOND SERVICE



8id Offer (813, 824, 727, 734, 731, 801, 80 51 74 76 30 20 12 10 10

Change on day week Yield OTHER STRAIGHTS Avco Fin 104 86 CS ... 25
Sell Canada 104 89 CS 60
Cr. Foncier 104 84 CS 39
Ex. Oev. Cpn. 10 84 CS 50
Fat. Cen. Inv. 10 84 CS 50
Hudson Sey 104 89 CS 50
Quebec 104 86 CS 50
R. Bk. Ceneda 10 85 CS 40 78% 79% -0% -0% 15.76
25% 25% 0 0 14.28
84% 85% -0% -0% 15.10
25% 35% -0% -0% 15.10
25% 35% -0% -0% 15.18
78 78% 0 +1 14.61
84% 85% 0 1 13.80
76% 75% 0 8 14.05 R. Bk. Cenede 10 86 CS
R. Bk. Cenede 10 94 CS
Copenhogen 34 91 EUA
M. Bk. Onmk. 8 B1 EUA
M. Bk. Onmk. 8 B1 EUA
SOFTE 34 89 EUA
U. Bk. Nrwy. 91 90 EUA
Algemene Bk. 84 84 F1
Ned. Gesunio 84 84 F1
Ned. Middbk. 84 84 F1
Norway 84 84 F7
CECA 144 86 FFr
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CECA 148 86 FFr
COZ do France 11 84 FFr
Inland 117 89 FFr
Consoli 118 4 FFr
Solvay 85 FFr
Solvay 85 FFr
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Citicorp 0/S 131 90 £
EB 112 81 £
Fin. fer Ind. 127 89 £
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Mitaublahi 71 84 KD
Nergas Kem. 71 89 KO
Occidental 84 91 KO
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CONVERTIBLE BONDS

BONDTRADE INOEX AND YIELD Medium term 86.29 12.30 86.40 12.29 91.03 (2/1) 86.32 (2/4) Long term 72.95 12.93 73.08 12.92 89.19 (2/1) 71.54 (29/2) **EUROBOND TURNOVE**

> * No information availableprevious day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change an week= Change over price a week earlier.

FLOATING RATE NOTES: Denominated in dollars unless ntherwise indicated. Compon shown is minimum. Cdte=Date next coupon becomes effective.

Spread=Margin above six-month
nifered rate (5 three-month;
5 above mean rate) for U.S.
dollars. C.cpn = The current
conpon. C.yld=The current yield.

CONVERTIBLE BONDS: De-nominated in dollars unless otherwise indicated. Chg.day= Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in bond per snare expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares vis the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Arab Company for Trading Securities SAK; Kredietbank NV; Credit Commercial de France; Credit Lyonnais; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentraie; Banque Internationale Lnxembour; Kredietbank Nv; Pierson, Heldring and Pierson; Credit Saisse/Swiss Credit Bank; Uninn Bank of Switzerland; Akroyd and Smithers; Bankers Trust Internetional; Bondtrade; Credit Commercial de France (Secs.)—London; Critorp International Bank; Daiwa Europe NV; Deltec Trading Company; Dillon, Read Overseas Corporation; EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Kidder Peabody International; Merrill Lynch; Norgan Stanley International; Selman Morgan Stanley International; Nesbitt Thomson; Salomon Brothers International; Samuel Montagu and Co., Scandinavian Bank; Strauss Turnbull and Co. Sumitomo Finance International: S. G. Warburg and Co. Wood

Closing prices on April 3

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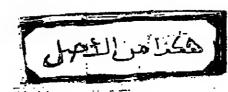
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BANCO DE BILBAO

GENERAL MANAGEMENT INTERNATIONAL, ALCALA 16, MADRID, SPAIN.



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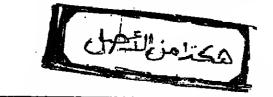
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NEW YORK Columbia Ges. 36 3774 Columbia Pict. 2114 Com. Ins. Am. 1784 Combistn. Eng. 5514 Combistn. Eng. 5514 Commistn. Englip 84 Commistn. Edgip 19 Commist Edison. 19 Comm. Satelile. 2512 Compagnaphic. 224 CIG. 214 S14 Gt. Atl. Pac. Toe. 514. Gt. Basins Pet... 1454 Gt. Mism. Nekocea 5112 Gt. West Financi 1532 Graybound 1556 Grumman 25 Guif & Western 1713 2chiltz Brew. J. . Schlumberger.... SCM..... 2cott-Paper..... 45% 1718 5864 3312 50 6614 67 1018 9 2214 459 4412 3070 1334 Scudder Duo V... Sea Contra Seabrd Coast L. Signal......Signode..... | Naiso Chem. | 29% | 29% | 29% | Nappeo Industries | 1112 | 1118 | Nat. Can. | 1056 | 1056 | Nat. Detroit. | 245a | 24 | Nat. Dist. Ch5m. | 2552 | 25 | 25 | Nat. Service Ind. | 1855 | 1914 | Nat. Service Ind. | 1714 | 17 | Nat. Standard. | 16 | 1514 | Nat. Steel. | 2775 | 2775 | Natomas | 3418 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 | 3434 Hitachi Hobert Corp. Holiday Inna. Holy Bugar. Homestake. Heneywell. Hoover Univi ... Hoover Univi ... Hormal Geo. Hospital Corp. Heusehold Fin ... Houston Inds. Houston Nt Ges. Houston Oil Min ... Howard Johnsn. Hudson Bay Mng Humana CANADA 2676 3636 2478 2018 2018 2415 2415 2014 2714 21134 2318 3013 11278 11578 11678 11678 11678 Can Packers ... 31 Can Perm Mtg... 16 Can Trustco ... 1912 Can Imp Bank... 9314 Cdn Inds... 9534 Cdn Pacific ... 9534 Cdn Pacific Inv... 3914 Can Super Dil... 225 Cdn Tres... 23 Cherekee Res... 1078 Tennece 541 Tesora Pet. 378 Texas Comm. Bk Texas Comm. Bk Texas Eastern. 221 Texas Eastern. 221 Texas Cas Tm. 221 Texas Instrmb. 365 Texas Utilities. 17 Texas Utilities. 375 Texas Utilities. 375 Thermo Electron 251 Thermo Electron 375 Tideweter. 301 Time Inc. 428 Times Mirror. 505 Times Mirror. 505 Times Mirror. 575 EMR 254 Eastern Airlinea 769 Eastern Gas & F. 1834 Eastern Gas & F. 1834 Eastern Mcdak 2214 Echilin Mig 2214 Echilin Mig 2214 Eicht Memories 218 Eil Paso 178 Emerson Elect 2178 Emerson Elect 2514 Engelitard MC 2514 Timken 508 8078 Tipperary 17 1712 Tonks 934 934 Total Pet 9213 9918 Trans 1914 12 Transamerice 1518 1518 Trans Unien 5114 5114 Transway 2119 2119 Transway 1078 1078 Travelers 3919 3978 Tri Continental 1714 1714 Kaiser Steel..... Kaneb Services... Kaufman Brd.... Kay Corp..... Kejlogg..... Emserch 2514 2618 Enserch 2754 2818 Envirotech 2758 2758 Envirotech 2854 2819 Evans Prods 1854 1878 Envirotech 2858 Faderal Co. 2759 288 Faderal Co. | 173 | 184 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 | 185 Hudson Bay Mng. Hudson's Bay. ... 251g do. Oil & Gas. ... 1141g Husky Dil. ... 83 IAC ... 43 mp Dil A 405g Ince ... 261g Indal 12 Interpr Pipe. ... 165g Kroger LTV Lanier Bus, Prod Lear Slegier, Lear Slegler, 221s Leaseway Trans. 20 Leacona. 291s Lenox. 21 Leviz Furntr. 20 Libby Owens Fd. 11 Liby Eill. 331s Ligett Group. 333s Lilly (Eil). 331s Lincoln Nat. 343s Lincoln Nat. 291s Lockheed 391s Lockheed 39 Pub. 2erv. E & O | 175₈ | 175 Pub. S. Indiana | 123₄ | 195 Pullman | 261₂ | 261₂ | 261₄ | Puretator | 211₅ | 991₈ | Puretator | 215₅ | 211₈ | Puretator | 215₈ | 215₈ | Puretator | 215₈ | Puretator | 215₈ | 215₈ | Puretator | 215₈ | Pu Bucyrus Erie 1858 1858 Burlington Ind 1558 1514 Burlington Ind 2772 5773 Burnet 2773 2773 Burnet 2773 2773 Burnet 2773 2773 Burnet 2773 2773 Campbell Sept 2659 2859 Campbell Sept 2649 2858 Cannal Randolph 1412 1418 Can. Pacific. 2159 2159 2159 Carration 222 2178 2114 Republic Steet 9138 2158 Rep of Texes 2412 2334 Resch Cottrell 1314 1358 Resorts Intl A 9634 27 1178 4058 1519 3114 3114 1978 2178 9312 712 12 5034 4056 2012 9914 1412 40 1878 7216 1776 8756 9556 2378 2712 3954 2113 3018 6036 Migrs Hanover ... Mapco ... Marpco ... Marathon Dil ... Marine Mid ... Marine Mid ... Marine Mid ... Marriott ... Mass Mut Corp. Mass Mut Corp. Mattel ... May Oept Stra... May Gept ... McDonnould ... McDonnould ... McDonnould ... McDonnould ... McGraw Hill ... McGraw Hill ... McGraw Hill ... McGraw Hill ... McLean Truckg Medd ... Marliotte ... Mar 8.8 1254 768 1976 1678 812 4334 1179 9168 1218 1218 1815 2078 2512 2612 2918 3958 5254 3554 3554 3578 5354 5354 5354 3912 18 1658 914 434 9054 1256 29 2318 914 2178 2214 38 2258 2212 2754 918 29 2318 62 9278 9658 13 Cincinnati Mil. 308 31 CERCOTO 1876 1974 CRISA SERVICE 187 88 CRIV Investig 15 1478 CRITE Equipment 302 30 CRIVE GRITE ROLL 2774 COCOX 814 814 CRITE Parby 75 714 COCOX 706 714 COCOX 714 Genuine Parta 25 Georgia Pac 245; Georgia Pac 245; Georgia Pac 245; Georgia Pac 181e Getty Oll 734 Giddings Lewis 68 Gillette 185 Geodrich (EF) 185 Geodrich (EF) 117 Gould 231 Grace 337 Grace 315 2258 2430 6014 1816 7418 2019 1934 4358 1956 1118 2844 54 Melezan Trueks-Medie Geni Medironi c. . Melion Nati Meworks. Mercantile Stra. Merck. Merckitti. Mer rill Lynoh ... AUSTRIA Creditanstalt Landerbank Perimooser Somperit Steyr Daimier Veitscher Mag

Indices VEW YORK—DOW JDNES Apr. Apr. Apr. Mar. Mar. Mar. 1980 Since Cmplf Apr. Apr. Apr. Mar. Mar. Mar. High Low High Lo Industr' is 784.15 (187.80 284.47 785.75 777.85 758.88 (187.8) (227.8) (11/25) (217.8) (11/25) (217.8) (11/25) (217.8) (11/25) (217.8) (2	AUSTRALIA Sydney All Ord. (1956/59) Metals &Minis (1956/59)	Apr. 7	(c)	Apr. 785.72	Apr.) IS	DBC Low
Apr. Apr. Mar. Mar. Mar. High Low High	'n / Sydney All Ord. (1956/59) Metals & Minis (1956/59)	(e)		 -†	Apr.	i	
Apr. Apr. Apr. Mar. Mar. Mar. 28 97 High Low High Lo Industr' is 784.15 (787.90 784.47 785.75 777.85 789.88 868.84 788.38 1051.70 41.5 (1872) (27/6) (11/25) (27/6) (11/25) (27/6) (11/25) (27/6) (28/	AUSTRALIA Sydney All Ord. (1856/53) Metals &Minis (1856/53)	(e) (c)	. (c)	797 79			
10ctuaty 6,784.13 (187.80 284.47 785.75 777.85 7750.88 985.84 759.38 1031.70 41.1 100 100 100 100 100 100 100 100 100				780,90 4	781.21 4744,42		768,50 (2/1) 4581,26 (28/3)
Cameport 250.17 268.98 247.47 246.76 249.21.255.80 506.90 255.68 505.40 12.2 (27.6) (32.450) (67.7) (10.75) (1		(e)	(c)	67,84	98_11	68,48 (7/1)	67.92 (27/5)
(19/2) (27/6) (20/4/89) (20/4)	BELGIUM Belgian SE (61/12/64)	(c)	(c)	91,55	87,52	166,75 (11/2)	98.14 (61/6)
	DENMARK Copenhagen SE (1/1/78)	(c)	(c)	(c)	78,68	88,74 (2/1)	· 74.78 (5/n)
000°s† 27,970°55,216°52,250°55,840°45,729°55,840°	FRANCE CAC General (28/12/81) Ind Tendance (28/12/79)	(e) (c)	(c) (d)	105,40 99,40	102,4 98,1	117,90 (22/8) 198,76 (15/2)	87.1 (8)1) 96.80 (6/1)
ind. div. yield X 6.70 6.30 6.41 5.74	GERMANY FAZ-AKtien (51/12/58) Commerzbank(Dec. 1955	99	(c) (c)		215,4 677,1	252,89 (25/2) 749,2 (25/2)	212.76 (2815) 887.0 (27/5)
Apr. Apr. Apr. Mar. Mar. Mar. Mar. Mar. Mar. Mar. Ma	HOLLAND ANP-CBS General (1978) ANP-CBS Indust. (1978)	(c)	(c)	78.40 62.50	77.2 61.4	87,5 (11/2) 68,2 (11)1)	74.0 (27/5) 58.2 (28/6)
10 1 10 10 10 10 10 10 10 10 10 10 10 10	- HONG KONG	(c)	(c) .	788.98	781,85	965, 17 (15/2)	. 738,92 (16/5)
Omposite 182 15 762 68 102 18 102 05 180 68 98 20 118 44 68 22 126 85 4.4 (11/17) (1/18) (1/18)	ITALY	(c)	55.46	92,96	82,15	85,31 (29/2)	83.11 (2/1)
Apr. 2 Mar, 26 Mar, 19 Year ago (eppr d. dhv. yield 2 5,79 5,99 5,59 4,97	— Dow Average (16/5/48) 6	757.96 6 458.87	685.64 6 457.24	614,20,8 453,52	562.88 452.68	5838.98 (14/2) 472,65 (14/2)	6475,88 (27 <i>[</i> 8) 448,01 (12/3)
d. PPE Ratio 13.91 6.94 7.36 8.70	NORWAY Oslo SE (I/1/72)	(c)	(c)	(a)	113,85	144,78 (14/2)	118, 12 (28/6)
mg Gov. Bond Yield 12:34 13:52 11:93 B.93 M.Y.S.E. ALL COMMON Rises and Falls Apr. 3 Apr. 2 Apr.	SINGAPORE 1 Straits Times (1888)	458.92	(c)	459,82	454.14	504,11 (8/8)	429,75 (6/1)
pr. Apr. Apr. Mar. 1980 Issues Traded 1844 1876 186 5 2 1 51 High Low Rises 710 1014 87 710 1014 87 710 1014 87 710 1014 87	Gold (1568) Industrial (1858)	(c) (c)			910.5 495.1	604,5 (8/5) 517,2 (14/2)	585.0 (4)1) 466.0 (29/1)
9559 2057 83 57 65 67.77 55.50 Unchanged 403 353 52 (15/2) (17/2) New Highs 5 5 6	CRAIN	(c)	(c)	(c)	100.55	105,29 (21/2)	55.81 (15 ₁ 1)
ONTREAL Apr. Apr. Apr. Mar. 1980	SWEDEN Jacobson & P. (1)1/56)	-(c)	(e)	584,02	584,62	586,88 (8/2)	884,72 (17)1,
Industrial 558.61 557.76 557.49 556.18 427.98 (297) 525.21 (27/6	SWITZERLAND Swiss Bank Cp., (61/12/68	(c)	(c)	281.10	281.0	517.9 (11/2)	276,0 (28 <i>/</i> 6)
Combined 508.72 319.85 571.20 599.51 578.90 (25/2) 255.90 (2/16) FORONTO Composite 1785.5 1887.2 1887.8 1787.8 2192.9 (25/2) 1702.5 (27/5	WORLD Capital Intl. (1/1/78)	·_	-		122,8	145.8 (18/2)	120,5 (27/8)

E Paso 662,000 Kutman 8road 557,200 Amer. Cyanamid 478,900 Mobil 982,600 H. Johnson 357,700

Thursday Stocks Closing en traded price dey 18M 338,600 564 - 2 28,900 72 + 12 294,600 72 + 12 223,500 154 224,200 485 and Poors—10; and Toronto—1,000; the last stamed based on 1975. † Excluding bonds. \$400 Industrials. \$400 Industrials plus 40 Utilities, 40 Financials and

Dow 8.2 weaker at mid-day

CONTINUING CONCERN about the U.S. economic outlook kept Wall Street under pressure throughout yesterday morning, with stocks moving lower over a broad front in moderate trading.

The Dow Jones Industrial Average weakcoped 5.19 to 775.94 at moon, while the NYSE All Common Index 10st 56 cents to \$57.29 and declines outscored rises by 2 three-to-one majority. Turnover came to 16.89m shares, compared with last Thursday's midday figure of 17.39m.

Congressional Budget director Alice Rivlin said over the Eastern weekend that the coming U.S. recession will probably be worse than most people expect.

Additionally, interest rates are expected to remain high, with

												_	
A			BELGIUM (con	tinued)		HOLLAND		, AUSTRALIA			JAPAN (contin	/han	
_	Aorti	April	4	Price	+ or	April 5 Price	+ 00	<u> </u>	Price		1	Price !	+ or
	Aorti	2	April 3	Frs.	+15	Fis.	<u> </u>	1	Aust. S		April 7	Yen	<u>'</u> '
	193 ₈ 105 ₃	193g 107g	Potrofina Royale Beige Soc Gen Band	6,130	-4 0	ACF Holding 67.0 Ahold 77.0 AKZO 25.3	+1.8	ANZ Group	1.00	*********	Kubota Kumagal	565 343	
	311 ₃ 321 ₂	3134 33	Soc Gen Band Soc Gen Belge	1,374	—30 +130	AKZO	+2.8 +0.7 +3.5	Alistale Expl Ampol Pet	1.06	0,85 0,61	Lion	331	30 +1
-	32 997s	33	Soc Gen gelge Sofina Solvay Traction Elect	2,910	+ 10	ASN	+3.5 +3.6 +1.3	Assoc. Pulp Pap.	0.30	+0,02	Maede Cons Makite	442	<u>-1</u>
ĭ	231g	2312	Traction Elect	9,380	+40	PERGATO CAPT	+4.0	Aust Cons Ind	1.40	********	Marubeni	372	+13
94.	1312	134	UCB Union Miniere Viellie Mont	784 1.350	+28	Buchmann-Tet 50.8	1 +8.3	I Aust Nat Inds	1 2 60	-0.26 +0.02	Marui	510	+3
,,,,	1773 4518	18 455g	V.01110 HOTE V	1 21000	1 400	Caland Hidgs 25.3 Elsevier 209.8	1 +41.38	Aust Paper Bamboo Greek	0.17	+0.02	Matsushita M'te Elec Works.	591 530	200-0200
	421 ₂ 935g	421g 951g	DENMARK			Ennia 124,5 Eure Com Tst. 65	+8.0	Bank NSW.	1.48	+0,81		414 653	$^{-1}_{+21}$
	2412	8 221 ₂		1	1 _	Gist. Brocades 32.9	0.6	Soral	9.38	-0.01 +0.88	M'bishi Elec M'bishi Ri Est	187 368	-1 +9
•	181g	181g	April 2	Price		{ Heineken	+5.5	Bi'ville Copper Brambles inds	3.30 1.89	-0.03	[MHI	178	+1
S	17	17	Andelsbanken			Hoogovens	+0.6	Bridge Oil	9,65	+0.05	Mitsui Ri Est	450	-8 +4
-	184	18	Baltica Skand	293	+1.6 +0.78	Int-Mueller	8.0+	BHP Brunswick OIL	0.19	-0.10	Mitsukoshi NGK insulators Nippon Denso	400 449	5
**	31 16	31 16	Baltica Skand Burm & Wain Cop Handelsbnk	104	+0.70	Nazrden 14.8	1 +04	CSR	3.04	÷0.68	Nippon Benso Nippon Gakki	1,110	-20 +1
	1912	12:-	Danska Rank	102	-0.78	Nat Ned Cert 108.4 Ned Cred Bank 58.7 Ned Mid Bank 196.0	-0.1 +1.8	Cluff Oil (Aust.) Do. Opts	0.98		Mibbou Mear	499	+16
•	9534	231 ₄ 963 ₄	East Asiatic Finansbanken	'ITTA'00	+0.5		1 +1	Cockburn Comt.	1.85		Nippon 9hlnoan.	7,391	
٧.	. 39↓	577g	Ferenede Brygg.	1916		OGEM	+4	Coles (G.J.)	4.40	-0.03 +0.05	I Mipcon Suisan	204	+2
****	225	225 9514	Forende Dampsk GNT Hidg	155.72	+2	Perhand 146	+2 -0.8	Containers	2.77	+0,81	NTV Nissan Motor	683	-40
•		1012	Nerd Kabel	. 149	+1	Philips	+0.2	Conzine Riotin	4.93	-0,11		320 I	******
	9712	9914	Novo Ind	101.50		Robeco167.3	# +0.1	I Grusader Oil	9.33	+0.16	Nomura	368	+ <u>1</u>
•	381 ₂ 133 ₆	381 ₂	Provinsbanken	107		Rollinco141.3	+0.7	Dunlep Elder 9mith CM.	9.33		Olympus	7E0	-14
R\$.	2458 1713	2412	Smidth (FL) 2 Berendsen	. 341	+1	Royal Outoh 153.5	+0.9	Endeavour Res	0.95	*******	Pioneer	1.780	+10
,,,,	71-	710	Superfos	104,76	+0,75	Pakhoed	+1.0	Gen Prop Trust	1.50	70.1S	Renown	490	_6 _6
•	40 8 61 1 ₂	404	FRANCE			Unilever 105.3	+0.2	Hartogen Energy Hooker	2.50	+0.61	Sanvo Eleo	353	-5 +1
im		631s 543s	FRANCE	1		Unilever. 105.3 Viking Res. 94.8 VMF-Stork. 50.6	+0.3	I ICI Aust	9.90	+0.16	Sekisul Pretab _	580 523	∓4 —7
	1534	1634	April 5	Price Frs.	+ er	VHU 85 Velker-Stevin 55.5 West Utr Bank 257	1 - 1 1	Jenmings	2.40	+0,30	Sharp 5hiseldo	886	+3
A	3312 1714	33 174	Seemant Arm Land			West Utr Bank 257	P-7.4	Jenes (D) Kia Ora Cold	1.31 0.34	********	Stanley	1,910	+30
Ä.,	2238	231g 951g	Emprunt 44% 1976.	6.070	+5 +76			Mim	4.08	+0.16	Taihel Dengyo	626	-10
-	26 1 ₂	2658 150	Africus Oscid	8.730 254	+5	ITALY		Meckatharra Ms- Metramar Min	3.15	+0,20		203	+3
	130	130	Air Liquide Aquitaine	44441	+5 +18	, ,		Moneroh Pet	0,60		Tekeda	480	-10
8	184	51g 1614	All Printemps	100.0	+1.5	April 4 Price		Myer Emp Nat Bank	2,50	+0.02		141	6
Α.:	37	5612	Bouvages	478 801	+8	Lire		Nicholas Int	9.60	+0.05		1,180 489	+30 -1
ng.	253 ₄	25 251 ₂	BSN Carvais	908	+18	ANIC	1 4 990	North 8kn Hill Oakbridge	8,05	+0.07	Teklo Marine	557	_3
P-01	11410	113	Club Mediter	338,8	+7,8	Banca Com'le 11.52 Bastogi Fin 686. Flet 9.04	420	Otter Expl	1,40	Per	Tekyo Gas	114	******
	812	7714	Carrefour Club Mediter CGE CSF (Thomson)	454	+14	Flet 9.04	8 -3	Pan Pacific	9.00 0.18	0.84 +0.81	Tokyo Sanyo	658 184	-6 +1
	43 40%	4314	Cle Bancaire	990,6	-8.5 +4	Finsider. 78 Invest 9.27 Italcementi 20,92	7 +92	Pioneer Conc. Queen Marg't G		+0.02	Tokyo Corp	210	-2
-	3618	27 121g	Cle Bancaire, Cle Oen Eaux Cofimeg CGF	166.5	-	Italsider. 309 Mentadison 170.7	=180	Reckitt & Coln Santos	2.60	+0,96			+5
	1658	154	Creusot Loire	65.9	+2.4	Mentedison	-0.25 -1	Southland Ming	1.05	+0.02	Teyota Motor Viotor	1,240	+5
•••	3012	3012	CFP	36,9	+5,4	Divetti	+15	90argos Expl	0.45	-0.05 +0.02	Wacoal Yamaha Meter	680 850	_3 _31
e		965g 71g	Ferodo	DOUXE	+6	Snia Viscosa 640	+1	Tooheys,	9.50	*******	Yamazaki Yasuda Fire	497 269	+2
5	878 521 ₀	10				do. do. Priv. 485	1 +8	Tooth	2.07 4.00	+0,02	Yeko, awa Bdge.		<u>-6</u>
Ţ.,	2312	28/4	Lafargo	230	+9.3 -0,2			Vallant Conadt	O.BO	-∓Ö,15			
	337g	337g 102g	L'Oreal	1.390	+8 +10	NORWAY		Waltons	0.57 4.00	+0,02	SINGAPORE		
٨.	2434	26	Machines Boll.	59.1	+1.9	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1	Woodside Petros	1.96 1.46	40.01	April 3	Price	+or
	334	335a	Gan. Occidental . Imetal	785	+42	· April 2 Price		Wormald Inti-	2.72			9	
	401		MICHIGA STREET	0 4,0	+10	Sarsens Bank 102	 	HONG KONG			Boustead 8Hd Cold Storage	4.36 2.96	-00,2 -0,04
	181g 2,20	1812	Paribas Pechiney	223.6	+1.2	Borregaard 96	her health				DBS	5.50	+0,16
[3.10 70	3.15 70	Perrier	275	+1	Creditbank 114 Elkem		April 3	Price H.K. \$	+ or	Fraser & Neave Haw Par	5.96 1.90	-0.04
•••	96 50	26 49	TRUGGEL-LIT	23B.U I	+9.1	Nersk Hydro 465		Cheung Keng	90,70	-0.19	Maley Banking	2.38	+0,81
	185g	135g 4.05	Rodietech	280	+7 -7	Storebrand 127,	2	Cross Herbour	1.84 8.70		Maley 8rew.	T BU	-0.05
••••		100	Redgute	448	+4			Eastn Asia Nav Hang Senz Bank	4.97	-0,88 -0,58	Pan Elect 3Ime Darby	1.21	-0.04 -0.04
Pf	814	951 ₂ 21 ₄	Rhone-Poulenc Roussel-Uclaf	232 I	-1	SWEDEN		HK Electric	5,25	-0.66	Straits Trdg	9,45	O, 15
	2854	81g 2814	St-Gobain Skiz Rossignei	700	+1 +25	SWEDEN		HK Kowloon Wh.	11.0	+1 -0.20	UD8	3.96	0'05
	4038 1212	4014 1936	JuezTelemech Elect	970 769	+0.5	April 3 Price		HK Shanghai 8k. HK Telephone	13.50 27.20	O.02	SOUTH AFRICA		
	12	117g	Thomson Brandt	120.9	+4.8	Krone	r -	Hutchison Wpa Jardine Math	7.26 14.20	-0,16	. 1	•	
	451 ₂ 327 ₈	4678 5278				AGA 129 Alfa-Leval 125	+i	New Werld Dev	5.47	-0.05	Apr. 3	Price	+ or
	234	257g	GERMANY			ASEA	5	D'seas Trust 9k.	4,07 18,30	-0.08 -0.50	Abar	Rand	
	14 77	141 ₈	April 5	Price Dm.	+ 07	Bofers 160 Colluies 129	*******	Swire Pag A Wheel'k Mard A	7.10 3.82	-0.50 -0.08	Abereom	9.90 7.00	+0,05 -0,06
A	155g	1336	AEG-Telef	83.8	+2.8	Electrolux 100		Wheel'k Mariti'e	4.50		Angle Am. Cp	12.90	+0.07
k.		9558 2214	Allianz Vers	700		Ericsson 95	1				Bariow Rand	9.30	
63	1458	103 ₄	BASE	347 138	+0.7	Esseite 140		JAPAN			Barlow Rand Buffele CNA Invests	9.30	+0.18
•••	5254	22- 1	BAYER	138 116.5	+1 +0.7 +0.8	Fagerata 95			Price	+er	Barlow Rand Buffele	9.30 30.0 4.50 1.58	+0.18
	3.73	293 ₄ 3.73	Bayer-Verein	158 116.5 217 260	+0.8 -1 -1	Fageratz 93 Creenges 85 Me och Dom 137	+1	JAPAN April 7	Price Yen	+ <u>•</u> r	Barlow Rand Buffele CNA Invests Currie Finance De Beers East Orle	9.30 30.0 4.50 1.58 8.70 94,95	+0.75
13.	3,73 125 ₈	2934	Bayer-Verein BHF-Bank	158 116.5 217 260 168.6	+0.8	Fagerstz 95 Craenges 85 Me och Dom 137 Sanb-Scanie 23 Sandvik 930	+1	April 7	Yen 550	_2	Barlow Rand Buffele	9.30 30.0 4.50 1.58 8.70 94.95 23.0 72.95	
	3.73	293 ₄ 3.73 121 ₂	Bayer-Verein BHF-Bank BMW Brown Boverl	138 116.5 217 260 168.6 160 304.3	+0.8 -1 -1 +1.3	Fageratz 95 Craenges 85 Me och Dom 137 Sanb-Scanle 930 Skandia 228 Skan Enskilds 103	+1	April 7 AlinometeAmada	550 478 360	2 2	Barlow Rand Buffele	9,30 30,0 4,50 1,58 8,70 94,95 23,0 72,95	+0.75 +1.68 -0.98
	3,73 125 ₈	293 ₄ 3.73 121 ₂	Bayer-Verein BHF-Bank BMW Brewn Boyerl Commerzbank Contl Cummi	158 116.5 217 260 168.6 160 304.3 168 46.7	+0.8 -1 -1 +1.3 -0.3 +0.1 +0.2	Fagerstz 95 Craenges 85 Me och Dom 137 Sanb-Scanle 23 Sandvik 930 Skandla 228 Skan Enskilda 103 5KF 67,	+1 -3 -0.5 +1	April 7 Ajinomete Amada Asahi Glass Bridgestone	950 478 360 313 606	-2 -2 +1 +1	Barlow Rand Buffele	9.30 30.0 4.50 1.58 8.70 94.95 23.0 72.95 3.85 7.0	+0.75 +1.66 -0.98
	3,73 125 ₈	293 ₄ 3.73 121 ₂	Bayer-Varein Bayer-Varein BHF-Bank BMW Brewn Boverl Commerzbank Conti Cummi Dajmler Banz Degussa	158 116.5 217 260 168.6 160 304.3 168 46.7 950 242	+0.8 -1 +1.3 -0.3 +0.1 +0.2 +1	Fagerstz 93 Craenges 95 Me och Dom 137 Sanb-Scanle 23 Sandvik 930 Skandla 228 Skan Enskilda 103 SKF 67. 3t-Kopperberg 9van Handelsbn 54, Tandstik 86	+1 -3 -0.5 +1	April 7 Ajinomete Amada Asahi Giasa Bridgestone Canen Gitizen	7cn 550 478 360 313 606 522 750	_2 _2 _2 +1	Barlow Rand Buffele	9.30 30.0 4.50 1.58 8.70 94.95 23.0 72.95 3.85 7.0 99 5.95	+0.76 +1.56 -0.88 -0.56 +0.25
	3,73 125 ₈	293 ₄ 3.73 121 ₂	Bayer-Verein BAF-Bank BMW Brewn Boyerl Commerzbank Contl Cummi Daimler Banz	158 116.5 217 260 168.6 160 304.3 168 46.7 950 242 125	+0.8 -1 -1 +1.3 -0.3 +0.1 +0.2	Fagerstz 95 Craenges 85 Me och Dom 137 Sanb-Scanle 25 Sandvik 930 Skandla 228 Skan Enskilda 103 5KF 67, 3t.Kopperberg 204 Sven Handelsbn 64, Tandstik 86 Uddeholm 65	+1 -3 -0.5 +1 -1	April 7 Alinomete	Yen 550 478 360 313 606 528 750 397	2 21115	Barlow Rand Buffele	9.30 30.0 4.50 1.58 8.70 94.95 23.0 72.95 3.85 7.0 99 5.95 4.29 5.00 5.90	+0.76 +1.56 -0.98 -0.56 +0.25
	3,73 125 ₈	2934 3.73 121 ₂ 245 ₈	Bayer-Varein BHF-Bank BHW Brewn Boverl Continerzbank Conti Cumml Daimler Banz Oegussa Demag Demag Oegussa Oegus Oe	158 116.5 217 260 168.6 160 304.3 168 46.7 950 242 125 223	+0.8 -1 +1.3 -0.3 +0.1 +0.2 +1 -1.3	Fagerstz 93 Craenges 95 Me och Dom 137 Sanb-Scanle 23 Sandvik 930 Skandla 228 Skan Enskilda 103 SKF 67. 3t-Kopperberg 9van Handelsbn 54, Tandstik 86	+1 -3 -0.5 +1 -1	April 7 Alinomete	7cn 550 478 360 313 606 522 750 397 502 268	_2 _2 +1 +1	Barlow Rand Buffele	9.30 30.0 4.50 8.70 94.95 23.0 72.95 7.0 99 5.95 4.29 5.95 4.29 5.95 5.95	+0.76 +1.58 -0.98 -0.56 +0.25
	3.73 125a 2478	293 ₄ 3.73 121 ₂	Bayer-Varein BHF-Bank SMW Srewn Boverl Conti Cumml Daimler Banz Oegussa Demag D'sche Babcock. Oeutsche Bank DU Schult Oredoner Bank Oredoner Bank	1158 116.5 217 260 168.6 160 304.3 168 46.7 950 242 125 223 239.5 153.00	+0.8 -1 +1.3 -0.3 +0.1 +0.2 +1 -1.3 +2 +1.5 +0.2	Fagerstz 95 Craenges 85 Me och Dom 137 Sanb-Scanle 25 Sandvik 930 Skandla 228 Skan Enskilda 103 5KF 67, 3t.Kopperberg 204 Sven Handelsbn 64, Tandstik 86 Uddeholm 65	+1 -3 -0.5 +1 -1	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 397 502 268 277 495	-2 -2 +1 +1 -5 -2 +5	Barlow Rand Buffele	9.30 30.0 4.50 1.58 8.70 94.95 23.0 72.95 7.0 95.95 14.29 5.90 9.85 3.13 2.42	+0.75 +1.56 -0.98 -0.56 +0.25 -0.06
	3.73 1259 2478 Price	293 ₄ 3,73 121 ₂ 245 ₈	Bayer-Verein BHF-Bank BHF-Bank Gommerzbank Conti Cummi Daimier Banz Oegussa Demag D'sche Babcock. Geutsche Bank U Schuit Uresdner Bank Oyck Zement CHIL	158 116.5 217 260 168.6 160.3 168 46.7 950 242 125 239.5 133.00 167.2 130	+0.8 -1 +1.3 -0.3 +0.1 +0.2 +1 -1.3 +2 +1.5	Fagerstz 95 Craenges 85 Me och Dom 137 Sanb-Scanle 25 Sandvik 930 Skandla 228 Skan Enskilda 103 5KF 67, 3t.Kopperberg 204 Sven Handelsbn 64, Tandstik 86 Uddeholm 65	+1 -3 -0.5 +1 -1	April 7 Ajinomete	Yen 550 478 360 313 606 522 750 397 502 268 277 495 840 415	-2 -2 +1 +1 -5 -3 +5 -10 -20	Barlow Rand Buffele	9.30 30.0 1.58 4.50 94.95 23.0 72.95 3.85 3.85 5.95 14.29 9.85 3.12 5.03 6.45 6.46	+0.76 +1.58 -0.98 -0.56 +0.25
	3.73 125g 247g Price 2 336 338 265	293 ₄ 3.73 121 ₂ 245 ₈ +er 	Bayer-Verein BHF-Bank BHF-Bank Gommerzbank Conti Cummi Daimier Banz Oegussa Demag Demag D'sche Babcock. Geutsche Bank DU Schult Oresdner Bank Dyck Zement CHIL Kapag Lloyd	158 116.5 217 260 168.6 160 304.3 168 46.7 950 242 125 233 239.5 163.00 167.2 130 76	+0.8 -1 +1.3 -0.3 +0.2 +1 -1.3 +2 -0.8 -0.8	Fagerstz 93 Craenges 95 Me och Dom 137 Sanb-Scanle 23 Sandvik 930 Skandla 228 Skan Enskilda 103 SKF 67. 3t.Kopperberg 9ven Handelsbn 54, Tandstik 86 Uddeholm 55 Volvo 79.	+1 -3 -0.5 +1 -1	April 7 Ajinomete	Yen 550 478 360 313 606 522 750 397 502 288 277 495 840 415 540	-2 -2 +1 +1 -5 -2 +3 -10 -20	Barlow Rand Buffele	9.30 4.60 1.58 4.95 94.95 23.0 72.95 7.0 95.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 14.40 14.60	+0.75 +1.66 -0.88 -0.56 +0.25 -0.06 -0.05
	3.73 1259 2478 2478 Price %	2934 3.73 121 ₂ 2458 + er -1	Bayer-Verein BHF-Bank BMW Srewn Boverl Commerzbank Conti Cummi Daimier Banz Degussa Demag D'sche Babcock Oeutsche Bank Du Schult Urendner Bank Oyek Zement CHH Hapag Lloyd Heeasch	138 116.5 217 260 168.6 160 304.3 168 46.7 950 242 125 239.5 133.00 167.2 130 200 76	+0.8 -1 +1.3 -0.3 +0.2 +1 -1.3 +2 +1.5 +0.2 +0.8 +0.8 +0.8	Fagerstz 93 Graenges 85 Me och Dom 137 Sanb-Scanle 23 Sand-Vik 930 Skandla 228 Skan Enskilda 103 SKAP 67. 3t.Kopperberg 204 9van Handelsbn 64. Tandstik 85 Uddeholm 79.		April 7 Ajinomete	Yen 550 478 360 313 606 522 750 288 277 495 840 415 540 736 2,750 2,970	-2 -2 +1 +1 -5 +5 -10 -20 -4 +40 -20	Barlow Rand Buffele	9.30 4.50 1.58 8.70 94.95 23.0 72.95 72.95 4.29 5.95 4.29 5.95 5.95 6.45 6.46 1.70 9.05	+0.75 +1.66 -0.98 -0.56 +0.25 -0.06
	3.73 125g 247g Price 2 336 338 265	2934 3,73 121 ₂ 2458 +er -1	Bayer-Verein BHF-Bank BMW Srewn Boverl Commerzbank Conti Cummi Daimier Banz Demag D'sche Babcock Oeutsche Bank Du Schult Oresdner Bank Dyck Zement CHH Hapag Lloyd Heeasch Heeasch Hotzmenn (P)	158 116.5 217 260 168.6 304.3 168 46.7 950 242 242 123 239.5 153.00 167.2 150 200	+0.8 -1 +1.3 -0.3 +0.1 +0.2 +1 -1.3 +2 +1.5 -0.8 +0.8	Fagerstz	+1 -3 5 -0.5 5 +1 -1 +er +er +95	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 397 505 277 495 249 415 540 415 540 415 540 415 540 415 540 449	-2 -2 +1 +5 -5 -2 +3 -20 -4 +40	Barlow Rand Buffele	9.30 4.50 1.58 8.70 94.95 23.0 72.95 7.0 99 5.95 14.29 5.95 15.00 6.45 6.46 1.70 9.05	+0.75 +1.56 -0.88 -0.66 +0.25 -0.06 -0.05
	3.73 1259 2478 2478 Price %	2934 3.73 121 ₂ 2458 + er -1	Bayer-Varein BHF-Bank BMW Brewn Boverl Commerzbank Conti Cummi Daimier Banz Oegussa Demag D'sche Babcock Geutsche Bank DU Schult Oresdner Bank Oyck Zement CHIL Hapag Lloyd Heeghet Hojzmenn (F) Hotten Hotten	136.5 217 260 168.6 160 304.3 168 46.7 950 242 123 239.5 133.00 167.2 130 200 200 200 200 201 201 201 201 201 20	+0.8 -11 +1.3 +0.12 +1.5 +1.5 +1.5 +0.8 +1.5 -0.8 +0.8 -0.8	Fagerstz	+1 -3 5 -0.5 +1 -1 5 -1 5 -15 5 -15	April 7 Ajinomete	7en 550 478 3606 528 750 397 502 288 277 495 840 415 540 736 2,750 499 370 938	-2 +1 +1 -5 -2 +3 -10 -20 -20 -3 +40 -20 -3 +1	Barlow Rand Buffele	9.30 4.50 1.58 8.70 94.95 23.0 72.95 7.0 99 5.95 14.29 5.95 15.00 6.45 6.46 1.70 9.05	+0.75 +1.56 -0.88 -0.66 +0.25 -0.06 -0.05
13.	3.73 1.25a 1.25a 2.47a 2	2934 3.73 121 ₂ 245 ₈ +er -1	Bayer-Verein BHF-Bank BMW Srewn Boverl Commicummi Daimier Banz Deguss Demag D'sche Babcock Ceutsche Bank Oresdner Bank Du Schult Uresdner Bank Hapag Lloyd Heecsch Holzmenn (P) Horten Kail und Salz Karstadt Kaufhof	136.5 217 260 168.6 160 304.3 168.7 950 242 125 125 125 125 125 239.5 133.00 76 119.5 99.2 364 119.5 199.5 119.5	+0.8 -11 +1.3 +0.1 +0.1 +0.2 +1 -1.3 +2 +1.5 +0.8 +0.8 +0.8 +0.8 +0.8 -0.8 -0.8 -0.8 -0.8 -0.8 -0.8 -0.8 -	Fagerstz	+1 -3 -0.5 +1 3 -1 3 -1 1 -1 3 -1 5 -1 5 -1 5 -1 5 -	April 7 Ajinomete	7cn 550 478 360 522 750 397 502 268 277 495 840 415 540 415 540 415 540 497 499 497 498 497 498 497 498 498 498 498 498 498 498 498	-2 -2 +1 +1 -5 -5 +5 -10 -20 -20 -30 +40 -20 -5 +1 -6 +10 +10	Barlow Rand Buffele	9.30 4.50 1.58 8.70 94.95 23.0 72.95 7.0 99 5.95 14.29 5.95 15.00 6.45 6.46 1.70 9.05	+0.75 +1.56 -0.88 -0.66 +0.25 -0.06 -0.05
13.	3.73 1259 2478 2478 Price %	2934 3.73 121 ₂ 245 ₈ +er -1 -1	Bayer-Verein BHF-Bank BMW Srewn Boverl Commerzbank Conti Cumml Daimler Banz Degussa Demag D'sche Babcock Osutsche Bank Oresdner Bank Du Schult Oresdner Bank Hapag Lloyd Heesch Heesch Heesch Heesch Kall und Salz Karstadt Kaufhof KHO KHO	136.5 217 260 168.6 160 304.3 168.7 950 242 125 239.5 125,00 167.2 130.0 76 119.5 99.2 180.5 180	+0.8 -1 +1.3 +0.1 +0.2 +0.2 +1.5 +0.2 +0.8 +0.8 +0.8 -0.8 -0.5 -0.8	Fagerstz	+er +1 +1 -3 5 -0.5 +1 3 -1 5 -1 6 -10 +15	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 288 277 502 288 277 495 840 415 736 2,750 499 499 663 678 678 678 678 679 679 679 679 679 679 679 679	-2 -2 +1 +5 -30 -40 -40 -5 +1 +10 +10 +10 +10	Barlow Rand Buffele CNA Invests Currie Finance De Beers East Orle Fis Coduld Cold Fields 9A Highveld Steel Huletts Kloof Nedbank OK Bazears Protea Hidgs Rembrant Rennies Rennies EASTOWE EAST	9.30 4.50 1.58 8.70 94.95 23.0 72.95 7.0 99 5.95 14.29 5.95 15.00 6.45 6.46 1.70 9.05	+0.75 +1.56 -0.88 -0.66 +0.25 -0.06 -0.05
13.	3.75 1.25 1.25 2.47 2.47 3.36 3.38 3.65 1.00 2.50 3.23	2934 3.73 121 ₂ 245 ₈ +er -1 -1	Bayer-Verein BHF-Bank BMW Srewn Boverl Commerzbank Conti Cumml Daimler Banz Degussa Demag D'sche Babcock Osutsche Bank Oresdner Bank Du Schult Oresdner Bank Hapag Lloyd Heesch Heesch Heesch Heesch Kall und Salz Karstadt Kaufhof KHO KHO	136.5 217 260 168.6 160 304.3 168.7 950 242 125 239.5 125,00 167.2 130.0 76 119.5 99.2 180.5 180	+0.8 -11 +1.3 +0.12 +1.5 +0.2 +1.5 +0.2 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8	Fagerstz	+er +er +=	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 288 277 502 288 277 495 840 415 2750 499 499 663 678 770 683 678 770 897 897 897 897 897 897 897 897	-2 -2 +1 +1 -5 -3 +5 -10 -20 -20 -20 -3 -6 +10 +10	Barlow Rand Buffele	9.30 30.0 1.58 8.70 94.95 23.0 72.95 3.85 7.0 99.5 4.29 5.90 9.85 3.12 5.03 6.45 6.45 1.76 1.76 1.76 1.76 1.76 1.76 1.76 1.76	+0.75 +1.56 -0.88 -0.66 +0.25 -0.06 -0.05
13.	3.73 1.25a 1.25a 2.47a 2	2934 3.73 121 ₂ 2458 +er -1 -8	Bayer-Verein BHF-Bank BMW Srewn Boverl Commerzbank Conti Cummi Daimier Banz Deguss Demag D'sche Babcock Ceutsche Bank DU Schult Oresdner Bank Dyck Zement CHH Hapag Lloyd Heeasch Holzmenn (P) Horten Kail und Salz Karstadt Kaufhof KHO KHO Krupp Linde	136.5 217 260 168.6 160 304.3 168.7 950 242 125 125 125 125 125 125 125 125 125 12	+0.8 -1 +1.3 +0.1 +0.2 +0.2 +1.5 +0.2 +0.8 +0.8 +0.8 -0.8 -0.5 -0.8	Fagerstz 98 Grzenges 85 85 86 86 86 86 87 828 82	+er +er +=	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 288 277 502 288 277 495 840 415 2750 499 499 663 678 770 683 678 770 897 897 897 897 897 897 897 897	-2 +1 +1 +5 -20 -20 -4 +40 -20 -3 +1 -6 +10 +10 +7 +5	Barlow Rand Buffele	9.30 30.0 1.58 8.70 94.95 23.0 72.95 3.85 7.0 99 5.95 5.95 5.90 9.85 3.13 5.95 1.76 4.60 9.05 1.76 1.76 1.76 1.76 1.76 1.76 1.76 1.76	+0.75 +1.56 -0.98 -0.66 +0.25 -0.06 -0.05 -0.06 -0.05
13.	73.73 1.25a 1.25a 2.47g 2.47g 2.47g 2.47g 2.47g 2.536 2.50 2.50 2.50 2.50 2.50 2.50 2.50 2.50	2934 3.73 1212 2458 +er -1 -8 JRG +er +70	Bayer-Verein BHF-Bank BMW Srewn Boverl Commerzbank Conti Cummi Deimier Banz Deguss Demag D'sche Babcock Ceutsche Bank Dresdner Bank Dysk Zement CHH Hapag Lloyd Heeasch Holzmenn (P) Horten Kail und Salz Karstadt Kaufhof KHO Krupp Linde Lurthansa MAN Mannesmann	136.5 217 260 168.6 168.6 168.3 168.3 168.7 950 242 125 125 125 125 120 76 119.5 180.5 190.5 180.5 190.5 180.5 190.5 180	+0.8 -1 1.3 +0.2 +1 1.3 +0.2 +1 1.3 +0.2 +1 1.5 +0.8 +0.8 +0.8 +1.5 -0.8 +0.8 +1.5 -0.8 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5	Fagerstz 98 Grzenges 98 Grzenges 98 98 98 98 98 98 98 9	+er +er +=	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 288 277 502 288 277 495 840 415 2750 499 499 663 678 770 683 678 770 897 897 897 897 897 897 897 897	-2 +1 +5 -20 -20 -30 -40 -20 -3 +16 +10 +10 +11 +7 +7 +5 +5 +10	Barlow Rand Buffele	9.30 30.0 4.50 1.58 8.70 94.95 72.95 3.85 7.0 99 5.95 14.29 5.95 14.29 5.00 9.85 2.42 1.70 4.60 9.05 1.70 4.60 9.05 1.70 1.70 1.70 1.70 1.70 1.70 1.70 1.70	+0.75 +1.58 -0.98 -0.95 +0.25 -0.05 -0.05 -0.05 -0.05 -0.06 -0.05 -0.06 -0.06
13.	73.73 1258 1258 2478 2478 2478 2536 353 250 250 250 250 250 250 250 250 250 250	2934 3.73 1212 2458 +er -1 -8 JRG +er +70	Bayer-Verein BHF-Bank BMW Srewn Boveri Comit Cumm Daimier Banz Oegussa Demag D'sche Babcock Oestsche Bank DU Schult Dreadner Bank DU Schult Dreadner Bank DU Schult Heasch Heasch Heasch Holzmenn (P) Horten Kall und Salz Kaufhof KKHO Kloeckner Krupp Linde	116.5 217 260 168.6 160 304.3 168 46.7 950 242 125 233 239.5 167.2 150.5 99.2 180.5 99.2 180.5 281.5xr 78 281.5xr 78.5 191.1	+0.8 -1 +1.3 +0.2 +1 -1.3 +0.2 +1.5 +0.8 +0.8 +0.8 +0.8 -0.5	Fagerstz	+er +er +=	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 288 277 502 288 277 495 840 415 2750 499 499 663 678 770 683 678 770 897 897 897 897 897 897 897 897	-2 +1 +1 +5 -20 -30 -4 +40 -30 -4 +10 +10 +7 +7 +5 +5 +10 +10 +10 +10 +10 +10 +10 +10 +10 +10	Barlow Rand Buffele CNA Invests Currie Finance De Beera East Orle Fis Ceduld Cold Fields 9A Highveld Steel Highveld Steel Highveld Steel Kloof Nedbank OK Bazears Protea Hidgs Rembrant Rennles Rembrant Rennles BA Brows BAFPI Soreo Tiger Outs Unisee I Unisee BRAZIL April 7 Acesita Banco Srasil Bcige.Min Lodes Amer	9.30 30.0 4.50 1.58 8.70 94.95 72.95 3.85 7.0 99 5.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 1.70 4.60 9.05 1.70 4.60 9.05 1.70 1.70 1.70 1.70 1.70 1.70 1.70 1.70	+0.75 +1.58 -0.98 -0.56 +0.25 -0.06 -0.05 -0.06 -0.05 -0.06 -0.06 -0.06 -0.06 -0.06
X	Price 2478 Price 2478 Price 256 538 265 100 250 323 Price Fis. 2,175 9,400 1,870 990 985	2934 3.73 1212 2488 +er -1 -8 +70 +49	Bayer-Verein BHF-Bank BAW Srewn Boverl Commerzbank Conti Cumml Daimier Banz Degussa Demag D'sche Babcock Osutsche Bank Oresdner Bank Du Schult Oresdner Bank Hapag Lloyd Hapag Lloyd Heeasch Holzmenn (F) Hotten Kall und Salz Karstadt Kaufhof Krupp Linde Lufthansa MAN Mannesmann Mercedea Hig Mantelmann Mercedea Hig Metallegessell Muench Ruck	138 116.5 217 260 168.6 160 304.3 168.7 950 242 125 125 125 125 120 76 119.5 99.2 281,54 199.5 180.5 180.5 199.5 180.5 199.5 199.5 180.5 199.5 1	+0.8 -1.1.3 +0.1.2 +1.1.3 +2.5 +0.2 +1.5 +0.2 +0.3 +1.5 -0.8 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5	Fagerstz 98 Grzenges 98 Grzenges 98 98 98 98 98 98 98 9	+er +er +=	April 7 Ajinomete	Yen 550 478 360 513 606 522 750 288 277 502 288 277 495 840 415 2750 499 499 663 678 770 683 678 770 897 897 897 897 897 897 897 897	-2 +1 -5 -20 +1 -5 -20 -20 -20 -40 -20 -40 -10 -11 +10 -11 +15 +10 -11 +11 +11 +11 +11 +11 +11 +11 +11 +11	Barlow Rand Buffele CNA Invests Currie Finance De Beers East Orle Fis Coduld Celd Fleids 9A Righveld Steel Huletts Kloof Nedbank OK Bazaars Protea Hidgs Rembrant Rannies Rembrant Bage Hidgs Financial Rannie CDiscount ODiscount ODiscount BRAZIL April 7 Acesita Banco Brasil Bacige Min- Loles Amer	9.30 30.0 4.50 1.58 8.70 94.95 72.95 3.85 7.0 99 5.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 1.70 1.70 1.70 1.70 1.70 1.70 1.70 1.70	+0.75 +1.56 -0.98 -0.95 -0.05 -0.05 -0.05 -0.05 -0.05 -0.05 -0.05 -0.05 -0.05 -0.05
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X	73.73 1.25a 1.25a 2.47a 2.47a 2.47a 2.47a 2.55a 2.50 2.50 2.50 2.50 2.50 2.50 2.50 2.50	2934 3.73 1212 2458 +er -1 -8 +r70 +r70 -16 +10	Bayer-Verein BHF-Bank BMW Srewn Boveri Commerzbank Comti Cumml Daimler Banz Oegussa Demag D'sche Babcock Oeutsche Bank DU Schult Oreedner Bank DU Schult Heasch Hapag Lloyd Heeacht Kall und Salz Karstadt Kall und Salz Karstadt Kuockner Krupp Lurthansa MAN Manneamann Mercedes Hig Matailigessell Muench Ruck Preussag Rhein West Elect Rosenthal	138 116.5 217 260 168.6 169 304.3 168 46.7 950 242 123 239.5 133.00 167.2 130 200 200 200 200 200 200 200 200 200 2	+0.8 -1 +1.3 +0.2 +1 -1.3 +0.2 +1.5 +0.8	Fagerstz 93 Grzenges 95 Grzenges 95 95 96 97 98 98 98 98 98 98 98	+er -1 3 -0.5 +1 3 -1 3 -1 3 -1 3 -1 4 -1 5 -15 5 -10 1 -10 1 -10 1 +16 1 +16 1 +18 1 +18 1 +1	April 7 Ajinomete	Yen 550 478 360 528 750 288 277 502 288 277 502 495 840 7350 499 370 938 578 650 000 973 410 2590 973 279	-2 +1 +1 -5 -20 -20 -40 -20 -6 +16 +10 -17 +7 +10 -17 +7 +11 +17 +19 -17 +17 +19 -17 +17 +19 -17 +17 +19 -17 +19 -17 +19 -17 +19 +19 +19 +19 +19 +19 +19 +19 +19 +19	Barlow Rand Buffele CNA Invests Currie Finance De Beers East Orle FS Coduld Cold Fleids 9A Highveld Steel Huletts Kloof Nedbank OK Bazaars Protea Hidgs Rembrant Rennies Rembrant Sage Hidgs EAPP 9mith OG Sugar, 1 Sorso Tiger Outs Unisec BRAZIL April 7 Acesita Banco Brasil Bacige, Min Loles Amer Petrobras PP Pirell Souza Gruz Unip PE Vele Rio Coce	9.30 30.0 4.50 1.58 9.30 23.0 9.30 72.95 3.85 7.0 99 5.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 1.70 1.70 1.70 1.70 1.70 1.70 1.70 1.70	+0.75 +1.58 -0.98 -0.56 +0.25 -0.06 -0.05 -0.06 -0.05 -0.06 -0.05 -0.05 +0.05 +0.08 -0.07
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X	73 3.73 125a 247a 247a 247a 247a 247a 247a 247a 247	2934 3.73 3.73 121 ₂ 2458 +er -1 -70 +70 +49 +8 +80 -8	Bayer-Verein Bayer-Verein BHF-Bank BMW Srewn Boveri Commerzbank Conti Cumml Daimler Banz Degussa Demag D'sche Babcock Oeutsche Bank Dreadner Bank Du Schult Oreedner Bank Dyck Zement CHIL Hapag Lloyd Heechet Heasch Holzmenn (P) Horten Kail und Salz Kaufhof KHO Krupp Lufthansa MAN Manneamann Mercedes Hig Manneamann Mer	136.5 217 260 168.6 160 304.3 168.7 950 242 125 125 125 125 125 125 125 125 125 12	+0.8 -1 1.3 +0.2 +1 1.3 +2.5 +0.2 +1 1.5 +0.3 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +1	Fagerstz 98 Grzenges 98 Grzenges 95 67 85 85 86 86 86 86 87 87 87 87	+er +er +er +er +er +er +er +er	April 7 Ajinomete	7cn 550 478 360 522 750 288 277 502 288 277 502 288 277 502 288 277 502 288 277 502 288 277 502 275 495 840 410 735 653 678 770 938 770 938 770 650 650 650 650 650 650 650 65	-2 +1 +5 -20 -3 -4 -40 -20 -3 +16 +10 +10 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7	Barlow Rand Buffele CMA Invests. Currie Finance. De Beers. East Orie Person East Orie Cold Fleids 9A. Highveld Steel Highveld Steel Highveld Steel Kloof Nedbank OK Bazears. Protea Hidgs. Rembrant Rennies Rembrant Rennies BA Brows. BAPPI Soreo Tiger Outs. Unisec Unisec BRAZIL April 7 Acesita Banco Brasil Bacige, Min- Lojes Amn- Lojes Amn- Lojes Amn- Petrobras PP Pirtelll Souza Gruz Unip PE Vele Rio Coce I over Cr.543.0m. Jeuse Gre as quoss traded prices.	9.30 30.0 4.50 1.58 8.70 94.95 272.95 3.85 7.0 99 5.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 15.95 14.29 15.95 14.29 15.95 14.29 15.95 14.29 15.95 14.29 15.95 16.45 16	+0.75 +1.58 -0.95 +0.25 -0.06 +0.25 -0.06
X	73.73 1.25a 1.25a 2.47g 2.47g 2.47g 2.47g 2.536 2.50 2.50 2.50 2.50 2.50 2.50 2.50 2.50	2934 3.73 3.73 121 ₂ 2458 +er -1 -70 +70 +49 +8 +80 -8	Bayer-Verein Bayer-Verein Bayer-Verein Bayer-Verein Bayer-Verein Bayer-Verein Bayer	136.5 217 260 168.6 160 304.3 168.7 950 242 125 125 125 125 125 125 125 125 125 12	+0.8 -1 1.3 +0.2 +1 1.3 +2.5 +0.2 +1 1.5 +0.3 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +0.8 +1 1.5 +1	Fagerstz 98 Grzenges 95 Grzenges 95 95 96 96 97 98 98 98 98 98 98 98	+er +er +er +er +er +er +er +er	April 7 Ajinomete	7cn 550 478 360 522 750 288 277 502 288 277 502 288 277 502 288 277 502 288 277 502 288 277 502 275 495 840 410 735 653 678 770 938 770 938 770 650 650 650 650 650 650 650 65	-2 +1 +5 -20 -3 -4 +40 -20 -3 +16 +10 +10 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7 +7	Barlow Rand Buffele CNA Invests Currie Finance De Beers East Orie FS Coduid Celd Fleide 9A Highveld Steel Huletts Kloof Nedbank OK Bazaars Protea Hidgs Rembrant Rannies Rembrant Rannies Rembrant Sage Hidgs BAPPI 9mith OG 9ugar. 1 Sage Hidgs APPI 9mith OG 9ugar. 1 Soreo Injere Outs Injere Outs Injere Outs Financial Rand (Discount of BRAZIL April 7 Acesta Banco Brasil Bacige.Min Lojes Amer Petrobras PP Pirelli Souza Gruz Unip PE Vele Rio Coce I'over Cr.543.0m Jeurce: Rie de sage ere as ouse ere as	9.30 30.0 4.50 1.58 8.70 94.95 272.95 3.85 7.0 99 5.95 14.29 5.95 14.29 5.95 14.29 5.95 14.29 15.95 14.29 15.95 14.29 15.95 14.29 15.95 14.29 15.95 14.29 15.95 16.45 16	+0.75 +1.58 -0.95 +0.25 -0.06 +0.25 -0.06



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APPOINTMENTS

Timber group directors in moves

CONTINENTAL OIL COM-PANY LIMITED has appointed Mr. Terry Moore as general manager, supply and distribu-tion, crude oil and products. He has been elected to the board of the company and becomes a managing director of Conoco Limited.

Mr. H. Sherwood and Mr. R. W. Moore (directors of Parker Timber Group) have joined the Board of the SABAH TIMBER COMPANY and Mr. T. Prentice and Mr. T. D. Preston (directors of Sabah Timber) have become of Sahah Timber) have become directors of PARKER TIMBER GROUP. Both companies are subsidiaries of Harrisons and Crossield, of which Mr. Prentice is chairman. Mr. G. H. Sallis has been appointed a director and Mr. B. T. Joyce, an alternate director, of Sabah Timber. Mr. J. I. Gammie has relinquished his directorship of Sabah Timber but continues as adviser to the company on training matters. company on training matters.

Mr. B. W. Warner bas been appointed a director of MORGAN GRENFELL FINANCE.

Mr. Geoffrey Barnfield, director and general manager of MIDLAND ASSURANCE, bas resigned his executive office because of ill-beath, but remains associated with the Eagle Star group as a non-executive director of Mickend Assurance.

Mr. Neville Ayres has been appointed production director of WEIR ELECTRONICS, a member of the United Group.

From May 1, Mr. John Cryer, nancial director of TRANS-WORLD PUBLISHERS, becomes

Erith
Rowan & Boden
Small (John C.) & Tidmas
Interim:
Highland Gistilleries
DIVIDENG & INTEREST PAYMENTS—
Acrow Ord, and A 1.5p
Anglo Intri. Inv. 731 3p
Asaley Industrial Tat. 1.2p

deputy managing director and Mr. Ray Maskery joins the com-pany as financial director. Mr. Maskery was, until recently, joint managing and finance direc-tor of Penguin Publishing.

Mr. A. Ross Belch, retiring chairman and managing director of Scott Lithgow, has been appointed a director of ASSOCIATED BRITISH ENGINEER-ING,

Mr. Anthony A. Belisario has been appointed production director of DOWTY HYDRAULIC UNITS.

Mr. W. G. Dawson, managing director of ATKINS OF HINCK-LEY, has become chairman. Ha succeeds Mr. D. Styles, who has retired from the chairmanship but remains on that Board and continues as chairman of Atkins Brothers (Hosiery), the parent

Mr. R. E. Artus, Mr. A. G. Ellinger, Mr. P. W. Freeman, Mr. S. Wainwright, Sir Henry Warner and Mr. D. Weaver have been elected first Fellows of the SOCIETY OF INVESTMENT ANALYSTS. ANALYSTS.

Mr. Michael A. Hynes has been appointed to the Board of been appointed managing direct BUTTERFIELD-HARVEY as tor of HUGH SMITH (GLAS-group financial director. Mr. GOW), a Low and Bonar Com-Hynes was formerly finance pany, following the retirement director of Rank Xerox and of Mr. Alexander Robertson. Rolls-Royce (1971).

Mr. W. E. Cockerill has retired as a director of CASTINGS.

The Earl of Crawford and Balcarres has been appointed FIRST CROWN ESTATE COM-

will be retiring on August 31,

Mr. G. W. Berrill has been appointed a director of ALEX-ANDER HOWDEN INSURANCE

Mr. J. P. Landrigan, executive director, finance, of CON-SOLIDATED GOLD FIELDS AUSTRALIA, is to resign from the Board and from his executive position on June 30.

Mr. Graham Ford has been in the fi appointed a director of BROWN to be a SHIPLEY INSURANCE SER-VICES.

Mr. H. J. Foulds bas been appointed a director of H. BRAM-HAM POLA BROKERS. Capacity. Mr. Foulds is a director and general manager of Finance for Industry.

Mr. Marti appointed to Mr. Marti Appointed to Mr. H. appointed a

Mr. Ingmar Wendschlag and Mr. David W. Parker have been appointed additional directors of EKMAN CLEAVE. Mr. Wendschlag is president of Ekman International A.B. of Gothenburg, which has a controlling interest in Ekman Cleave.

appointed a director of RICHARDS LONGSTAFF (PEN-SION AND TRUSTEE).

PORTALS HOLDINGS bas appointed Mr. K. J. Daniells as pre-

OIVIDEND & INTEREST PAYMENTS— WEEK'S FINANCIAL DIARY

GIOL Mort. Con. Variable Rate Bds. WEEK'S FINANCIAL DIARY

The following is a record of the Table 130. The following is a record of the principal business and financial

engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last

12.30 Code, Intol., Kode House, 43. Bath Rd., Swindon, Wilshire, 12.00 Vestern Selection and Development, 25/35, City Road E.C., 12.00 Props. 2.1p ical Intol. 1.4p 20 Kingdom off Signs 20-yr. Ext. anish Bacon reamland Electrical Appliances (Kingdom of) Signs 20-71.

1 Zigns (M.) 1.1p

rescal 0.5p

rescal 0.5p

ind Colonial 1gv. Tst. 1.95p

iurpess Products DIVIDEND & INTEREST PAYMENTS powning-retrieved and A 1.75p in its counts (Primishers) Ord. and A 1.75p in its counts (Primishers) Ord. and A 1.75p in its counts (Primishers) Ord. and A 1.75p in its counts (Primishers) Its counts of its count Engineering sscrid, fisheries 0.75p
usstin (James) Steel 1.67p
ampar/ intil 1.90
antinuous Statuenery 0.90
ryson (J. and J.) Ord. and A Ord. 2.5p
ryson (J. and J.) Ord. and A Ord. 2.5p
rester Broad Olscount 3.5p
irst and Maillinson 1.3p
offinms (S.) 1.4850
ackson (J. R. H. B.) 0.750
mes Strond 2p

Chemical Corporation (the Portals Water Treatment North American subsidiaries). Mr. J. G. Jeunes has become managing director of Houseman (Burnbam) in succession to Danieus.

Mr. P. J. Jeffcote, Mr. A. C. W. Peck, Mr. F. G. Sandison, Mr. G. L. B. Darlington and Mr. A. M. V. Salz become partners in FRESHFIELDS on May 1. Mr. G. B. Nicholson, who is at present in the firm's New York office, is to be a partner ou his return to

Mr. Martin J. Hesse has been appointed to the Board of WIG-HAM POLAND REINSURANCE

Mr. H. Black has been mr. H. Black has been appointed an executive director of RICHARDSONS WESTGARTH. AND CO. He was previously managing director of the Richardsons Westgarth Group's Burgess companies. Mr. K. Tidd bas become managing director of Burgess and Co. (Engineers) and of B. and E. Boilers and Mr. J. Crewe bas been made managing director of Burgess and Co. (Engineers' Supplies),

Mr. R. Hanbury-Tenison has been appointed a regional direc-tor of the South Wales regional Board of LLOYDS BANK, which sits at Cardiff under the chairmanship of Mr. George M.

Mr. J. D. T. Kirk has been appointed a director of PAR-SONS BROWN AND NEWTON.

Win

315

st cares for our wor

If tomorrow is to be a more productive, more caring, more relaxed, simply saner time than today then Hoechst has many technologies to make it happen-now.

Some people know about Hoechst already. Some people ask Hoechst about their industrial, business, municipal and environmental problems.

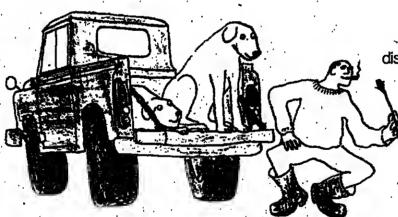
And Hoechst helps them make the most of their world today.

Simply by caring.



Hoechst first built its business by its flair for inventing new dyestuffs for textiles and pigments

Today Hoechst is still innovating. An unusual example: its new fat-soluble dyes are making a big mark in the multi-million pound pop-record market.



less and seeing more next summer.

It will be due to Clearine by Optrex-a

Optrex-long known in Britain for its

Eyes

eye irritation.

Communications

Frankfurt in less than one minute.

telecommunications, is a

Hoechst company.

Kalle Infotec, a pioneer in high-speed

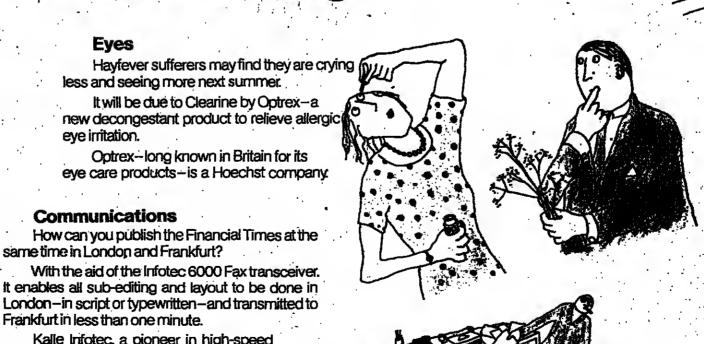
same time in London and Frankfurt?

Crops

Cpn, 3.3p

If weeds, insects and plant diseases went unchecked, Britains farmers would lose one third of their crops each year!

Hoechst makes more than 40 agricultural pesticides, each safetytested for five years, which save much of this wastage and ensure blemish-free produce.



Health

Hoechst pharmaceutical research has enabled doctors to treat effectively patients suffering from conditions such as heart disease, psychiatric illness and infectious diseases.

Hoechst's continuing research efforts ensure further medical progress in these and many other fields.

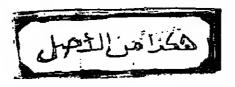
HOECHST (pronounced Herkst) is one of the world's great chemical companies. More than 8,000 people work for us and our associated companies in the UK.

We are concerned with chemicals, plastics, fibres, pharmaceuticals, paints, hair preparations, dyestuffs, pigments, agrochemicals, engineering products, packaging films, office equipment, printing materials and hospital supplies.

In 1979, our UK turnover was £500 million.

If you would like further details of Hoechst at work, send us this coupon.





Hanbury Tenion Sint ed a regional Sharin Waler h

D. T. Kirk hay OWN AND ME

DA TOTEREST PARE

TO ASSET TO

The state of the s

store man Soil

CURRENCIES, MONEY and GOLD

The other side of the coin

Gold coins are an attractive investment for UK residents, in comparison with a bar of gold, because much less money is required to get involved in the coin market, and coins do not either. The 15 per cent value added tax payable on gold bars.

An investor who is simply interested in buying a relatively and coins an attractive gold at the coin, as the major gold producting most favourable price is most ing countries move loto this should oooo be celling half lucrative market. The USSR also onnee, quarter ounce gold one mints coins in this category, and mexico has launched an intensive comparison on ounce of pure gold.

These are turned out in large quantities, and may soon be indeed to gold at the coin, as the major gold producting move loto this should oooo be celling half ounce, quarter ounce gold one tenth ounce coins to maintain its position and encourage sales to the jewellery trade.

These are turned out in large quantities, and may soon be joined by a similar Australian producers to market much which has pumismatic appeal,

OTHER CURRENCIES

April. 0	£	\$		e Note Rates
Argantina Poso	3752-3778	1748-1755	Austria	88.90-30.20
Australts Dollar.,	19935-1,9970		Belglum	69.30-70.50
Brazil Cruzeiro	99,78-100,78		Danmark	18,98-13.06
injend Markka	8,33-8,34		France	9,52.9.54
reek Orachma	90,299-984,87		Garmany	4,184,21
lang Kong Dollar			Italy	1995-1980
ran Rial	n/a		Japan	553-332
(uwait Dinar(KD)	0.090-0.600	0.8766.0.8707	Netherlands	4.5412-4.071
uxembeurg Frc.			Norway	11.09-11.17
Halaysia Dollar		9,3065-9,3096	Portugal	10719-11219
law Zealand Dir.	2.8850-8.3000		804ih	15314-16014
audi Arab, Rival.			Swedan	9,63-8,08
ingapore Dollar.			Switzerland	8.98-4.01
th, African Rand			United States	9,136-2,146
A.E. Oirham	7.97-8.07		Yugoslavia	5012-3214

EURO-CURRENCY INTEREST RATES

nonthe 18,15-19.2	per cent: ena	year 17.40-17.	50 per cent.		•					
April 0	Storling	U.S.Dollar	Canadian Dollar	Dutch Guilder	Swiss Frans	West German . Mark	French Franc	Italian Ura	Asian \$	Јарапеза Үз
Short term	1714-1714 1714-1754 1214-1812 1814-1812 1814-1812 1714-1712	184-184 185-1878 204-204- 194-194- 194-194- 174-174	81g-91g 21g-91g 101g-107g 105g-10 105g-18 151g-101g	103e-103e 105e-107s 11-111; 115e-115e 117s-121e 121e-121e	5-20 31g-0 01g-66g 714-74s 714-778 75g-71g	81g-85g 854-87g 914-95g 101g-1014 101g-105g 1016-107g	1912-1884 1912-1234 1018-1378 1334-14 1486-1486 1486-1478	19-14 191 ₈ -101 ₂ 171 ₂ -19 181 ₂ -191 ₄ 181 ₄ -191 ₂ 20-91	12/6-12/8 12/9-1256 90/8-2014 19/6-19/6 19/6-19/6 17/6-17/6	8-11 1134-12 1556-1378 1434-10 1412-13 ₁₈ 13 ₁₈ -13 ₁₈

UK† 2.1350-2.1530 2.1380-2.1600 0.32-0.42c dis relamit 1.9100-1.920 0.07-0.12c dis relamit 1.9100-1.920 1.9100-1.9120 0.07-0.12c dis relamit 1.9100-1.920 1.9100-1.9120 0.07-0.12c dis relamit 1.9100-1.920 1.9100-1.9120 0.07-0.12c dis relamit 1.9100-1.920 1.913-1.910 0.31-0.28c pm relamit 1.905-1.1920 1.913-1.910 0.31-0.28c pm relamit 1.905-1.9120 1.913-1.910 0.31-0.28c pm relamit 1.905-1.9120 1.913-1.910 0.31-0.28c pm relamit 1.905-1.9120 1.913-1.910 0.99 pm relamit 1.905-1.910 0.99 relam	Silett tern	i lecija sue Ca	d ter Emiling.	P-16% per cest; U.S. dollem, C	- STIPPINE	doilists and	Japan	ose yen; e	ithem two days	B. HOMCO, AEIO	T AND F	9 rates	in siagepon	retes.
1.9100-1.9200 1.9100-1.920	April 3		Close	One month	7, p.a.		% p.a.	April 3		Close	Dne month	% p.a.		p.0
Switz: 1.8490-1.8700 1.8656-1.8665 2.15-2.05c pm 13.50 5.65-5.55 pm 12.00 Swit: 3.967-4.0012 3.981-3.9914 41-31c pm 11.59 111-1012 pm 10	Irelandt Canade Nethind Belgium Desmark W. Ger. Portugef Spain Italy Norwey Franca Swedan Japan Austrio	1,9100-1,9200 2,1275-2,1425 37,30-37,50 6,05-6,08 1,9490-1,9685 51,20-51,40 72,90-73,30 903,50-906,75 5,1800-6,2000 4,4980-4,5270 4,4980-4,5270 4,4980-4,5270 1,950-258 19,96-13,98	1.8100-1.9120 2.1310-2.1330 27.42-37.44 6.06-8.07 1.9845-1.9655-51.25-51.35 72.15-73.26 905.50-906.50 0.1980-5.1980 4.4985-4.4980 4.4985-4.4980 19.987-13.57*	0.07-6.12c dis 0.31-0.28c pm 1.59-1.54c pm 6+5c pm 0.25-0.75ore dis 1.77-1.67pf pm 10c pm-7 dis 30-55c dis 18rs pm-per 2-1.50om pm 2.52-2.42c pm 2.20-2.00cre pm 1.30-1.15y-pm 11.75-11gre pm	-0.80 1.79 8.81 2.79 -0.99 10.50 0.35 -6.97 0.66 4.04 6.55 0.60 5.71	0.29-0.36dis 1.00-0.90 pm 4.25-4.15 pm 78-15 pm 2-2.50 dis 4.47-4.37 pm 2-6.50 dis 75-95 dis 1 pm-per 0.10-5.60 pm 6.50-6.30 pm 6.50-6.30 pm 32.28-2.65 pm 33.28-2.9.76pi	-5.68 1.99 7.88 2.70 -1.48 9.00 0.39 -4.64 0.22 4.50 3.39 4.24	Gasade Nethind. Selgium Denmerk Imiand W. Gsr. Portugal Spels Italy Norway Fmace Owaden Jepes Austris	2.5500-2.5690 4.57-4.61 67.10-67.70 13.00-19.11 1.1195-1.1245 4.19-4.23 108.25-110.80 156.00-157.76 1937-1950 11.05-11.15 8.66-9.72 9.62-8.69 548-586 59-80-30.20	2.650-2.5520 4.58-4.59 4.58-4.59 13.00-13.00 13.00-13.00 4.20-4.21 109.45-109.75 158.00-158.10 1937-1938 11.05-11.07 9.67-9.68 2.62-9.54	0.50-0.40c pm 3-2c pm 10c pm-per 2½-3½-ore dis 0.05p pm-per 3½-2½-pr pm 5c pm-40dis 55-110c die 1lim pm-1lire dis 3½-2½-ore pm 4½-3½-c pm 4-20m pm 2,00-1.70y pm	2.12 0.54 0.89 -2.77 6.92 -9.83 -0.34 -3.25 4.65 9.74 4.03 7.83	1.25-1.10 pm 8-7 pm 20-10 pm 81-10 dis 0.13-0.08 pm 23-73 pm 10-105 dis 165-210 dis 2-4 dis 10-83 pm 10-932 pm 10-932 pm 4.80-4.50 pm	0.85 -2.84 0.35 7.73 -2.10 -4.87 -0.65 9.35 4.13 3.85

LONDON MONEY RATES

April. 3 Starling Certificate of deposit	Interbank		Local Auth. negotiabla bonds	Finança House Daposits	Company Deposits		Treasury	Eligibia Bank Bilis o	Fise Trade Billo †
Overnight 2 days notice 7 days notice Dne month Two manths Six months Nina months One Year Two years	181 1814 181 1814	18-1814 1813-1836 1214-1836 1814-1836 18-1819 1756-1734 1519-1714	1938-1918 1919-19 19-1819 1758-1714 1758-1726 1714-17	1836 1836 1816 1816 1834 1834 1874 1718	171g-1754 	163 ₄ -17 163 ₄ 165 ₈	10 16 16 16 16 16 16 16 16 16 16 16 16 16	18-18 ₁₅ 17 { 175 ₄ -17 ₁₅ 16 { ₄ -125 ₄	1238 1214 1818 1718

s per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 19 per cent from April 1, 1980. Clearing rik, Deposit Rates for lending 17 per cest. Treasury ils. Average tender rates of discount 16,3039 per cent.

CURRENCY RATES

April 0	rate %	Rights	Currency Unit
Sterling	17	Uuayall'le	0,602680
U.S. S	13	pp pe	1,29017
Canadian 5	14	11 15	1,54083
Austria Sch	054	PP 13	18.0547
Selgian F	14	P 10	40,5971
Dasleh K	13	10 10	7.8656B
O'Mark	7	, ,	2,63206
Guilder	910		2.70260
French Fr			5.83475
Lira	10	P 17	1170.83
Yon			333,183
Nerwan, Kr	8 8		0.71223
Spanish Pts	8		94.5475
Swedish Kr	10		5.83280
Swiss Fr		17 17	2.40190
A PERSON A LIBERTINE			

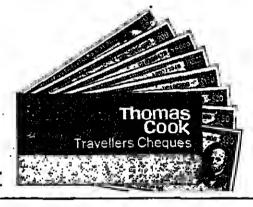
WORLD VALUE OF THE POUND

PLAGE AND LOCAL UNI	T VALUE OF £ STERLING	PLACE AND LOCAL UNIT	VALUE OF £ STERLING	PLACE AND LOCAL UNIT	VALUE OF £ STERLING
Afghanistan Afghani	100.0	Greenland Danish Kroner	10,01	PeruSol	exc(A)659,48
Albania	9.8280	l Greneda (S) E. Caribban I	0.80	Philippines Philippine Peso	15,60
Alaada Minne	8,2013	l Gredeloupe Local Franc	9,073 9,1090	Pitcairn Islands (S) (2 Sterling Naw Zealand \$	
Andorra	ranc 9.0750	Quam	2,1590		2,2980
Angola Kwanza	7050TR 155,05 52,686	Gustemala Quetzal Guinea Republic Sily	41.78	PolandZioty	(Cm)68,07
	- C C C C C C C C C C C C C C C C C C C	Guinea Bissau Peso	74,40	Portugal	109,80
Antigua (S) E. Caribbe	es Rute 3.762	Guyana (5) Guyanese \$	6,4545	Port Timor Timor Feeudo	109.60
Artigue (S)	ee Rate 3,762 1,9900	Count	10.70	Pucrto Rico U.S. \$	9,1390
Austria Schilling Azorea Portug. Esc	29,870	Haiti Gourd Honduras Repub Lempira	4.3100	Qatar (5) Qatar Ryal	7.89
Azorea Portug. Esc	cudo 109.00	Hong Kong (S) N.K. \$	10.9150	Reunion lie de la French Frana	9.870
Bahamas (S) Ba. Dollar	[2,1590	Hungary Forint	l ((com) 72,2501 l	Rhodesia Rhodesian \$	1,4150
Bahrain (8) Dinar	0,811	Marianta Louis	((T)(nc) 47,0885	Pamania	((Cm)10.20
Bahrain (8) Dinar Balearic Isles 8pa. Peset	130.05	loeland (5) L. Krona	932,3	RomaniaLeu	(n/c)T27,52
Bengiscesh(5) Taka	34.34	i India (5) Ind. Kubea	17.58	Rwanda Rwanda Franc	206,01
Barbados (S) Babados 🗗	((cm) 07,25		1,507.5	St. Christopher (3) E. Caribbean \$	1 5.80
Beigium B. Franc	(fn) 69,40	iran Rai Iraq Iraq Dinar Irish Republia (k) Lrish &	n/a 0.6355	CL IIBIBTO SY. HEIRDS &	1.0
Relive R S	4,2780	I Iraq amuning the Price &	1.1195	ol wick E. Cribban 3	0.80
Begin C.F.A. Fran	483,79	israel Shekei	1 9.093	St. Piarre Local Franc	9.875 5.80
Belize B \$ Benin C.F.A. Fran Bermuda (5) 8da 5	8,1390	Hely Lira	1,987.5	St. Viscent (S) E. Caribbean \$	8.07
obuteo indian Run	aa 1 17.36	ivory Coast C.F.A. Franc	483.70	Samoa American U.S. 3	2.1390
Bollyla Bolivian Pe Botswana (S) Pula	1,6895	Jamaica (5) Jamaica Dollar	0,2150	Salvader El Colon Samoa American . U.S. 3 San Marina Italian Lire Sao To'a & Principe Dobra	1,907.0 76.50
Brazil Gruzeire #		Japan Yen	350,3	San To'a & Principe Dobra	76,50
Brit, Virgin Isles(5) U.S. \$	E.1030	Jordan (5) Jordan Dinar	0.653(sg)		7.13 483.75
Brunel (S) 2 runel Ş	4.9025	lasbas Blai	2,066.8	Sevensias S. Pones	14,20 (80)
Bulgaria Lev	1,9010 14.40	Kanya (\$)	16.825	Sénegal	9,0553
Burma Kyat Burundi Burundi Fr		Kiribati Australian \$	1.9955 1.974(I)	Singapora (\$) Singapore \$ Solomon Islands(\$) Solomon Is. \$ Somail Republic Somail Shillong South Africa (\$)	4.9383
	•	Korea (8th) Wen	1,268.45	Someli Pecublic Some 7 Shilling	1,8972 (A)12,80
Cameroon Republe C.F.A. Fran	483.73 2,5810	Kuwait (Sth) Kuwait Dinar	0.390		1,7890
Canada Canadian S	130,05	Lace	1 256.0	SAUPE WAS ASSAUL	
Canada	oudo 78.15		7.3122	Territories (\$), S. A. Rand Spain Peseta	1,7520 130.00
Cauman islanda (S) Cav. is. 3	1 1.7020	Lesotho	1.7320 2.1090	Consists and I	1 130.00
Cent. Af. Repub C.F.A. Fran	16 483.70 483.75	Liberia Liberian a	5.5333	Spanish ports in Nerth Africa Pessta	106,05
Chile C. Paso	(Bk) 83.70	Libya Libyan Dinar Liechtenstein Swiss Franc	3,9920	8ri Lanka 12) S. L. Rupee	34.23
China Renminbi '	Yuan 3,4040	Luxembourg Lux Franc	67,23	8ri Lanka i2) S. L. Rupee Sudan Republic Sudan £ &	n/a_
Colombia C. Peso	(F) 97.92	Macao	11,50	Surinam S. Guilder Swaziland (5) Lilangeni	0.8990 1,7020
Comoro Islands C.F.A. Fran Congo (2razaville). C.F.A. Fran	16 483.70	Madeira Portug'se Escude	109,50	Swedan S. Krona	9.00
Costs Dics Colon	18.40	Malagasy Republic MG Franc	483,70 1,82	Swedan S. Krona Switzerland Swiss Franc	3,9925
Cuba	0 1.6975	Maiawi (5) Kwacha Malaysia (5) Ringgit Maldive Islands (5) Mal Rupee Mali Republic Mall Frana	4.9550	Syna Syria £	(A)8.4020
Cyprus (S) Cyprus £	0,800	Majdive Islands (5) Maj Rupee	8,4100	Talwan	(P)77,50
Czechoslovakia Koruna	((onm) 19.10 n/c24.08	Mali Republic Mail Frana	907.00	Tanzanie (5) Tan. Shilling	1 4 7 7 7
	(m20.48	Maira (S)	0.781 9.073	Tanizanie (5) Baht Togo Republie C.F.A. Frane Tanga Islands (5) Pa'anga Trinidad (5) Trinidad & Tob. \$ Tunisia	43.33 483.73
Denmark Danish Kro	ona 13.01	Martingue Cuative +	98,90	Tabon Islande (S) Pa'anga	1.9900
Dilbouti Fr.	365.0 (sq)	Mauritius (5)	15,90	Trinidad (S) Trinidad & Tob. S	5,1833
Dominica (\$) E. Caribbe Dominican Repub Dominican	an \$ 5.80 Peso 2,1090	Mexico Mexican Peso Miquelon C.F.A. Franc	49,12	Tunisia Tunisian Dinar	0,892 (SG)
Dominican Repub Dominican	Lezo 3'10an	Miqueion C.F.A. Franc	483.70 8.070	Turkey Turkish Lira Turks & Calcos U.S. \$	107.24 2,1090
	(O) 55.85	Monaco	(6)6,574900	Tuvalu Australian \$	1,9955
Ecuadar Sucre	11/25 60 60	Monserrat E. Caribbean \$	5.80		16.50
Egypt Egyptian £	(U) 1.5150 130.03	Merocco Dirham Mozambiqua Moz. Escuda	8,79(sg)	Uganda (5)	2.1090
Egypt Egyptian £ Equatoria i Ouinea, Peseta Ethiepie Ethiopian i	Birr (P) 4,3950	Mozambiqua Moz. Escuda	63,00	Uruguay Uruguay Peso	[(em)18.50
Editopio minima, Elitopia,		Nauru	1,9955		(fn)18.51
Faikland Islands (S Faikland Is	L.£ 1.0	Nepal Napalese Rupee	90.70	Utd. Arab Emirates U.A.E. Oirham	2.02 1.4798
Faroe Istande Danish Kro	13.01	Netherlands Guilder NetherlandAntilles Antillian Guilder	4.585 0.8290	U.S.S.R	483.70
Fiji islands Fiji \$	1,8620 8,3350	Metheriancanulies Antilian Guilder	161.50	Vetters Maller I les	1,937,0
Finland	9.070	New Hebrides Franc.	1,9955	Veticzn	0.55
FrenchG'tyln Af C.F.A. Fran	1C 483.70	Naw Zesiand (8) N. Z. Dollar Nicaragua Cordoba	9,2973		11014 6650
French Guiana Local Fran French Pacific Is., C.F.P. Fran	g 9,073	Nicaragua Cordoba	21.470 483.75	Vietnam Dong	(T)4.854(I) 2.1590
French Pacific IS., G.F.P. Fran	na 178,0	Nigar Republic C. F. A. Franc Nigarie IS)	1,242380 (eg)	Virgin Islands U.S. U.O. Dollar	
Gabos C.F.A. Fraz	na 483,73	Nerway Norway Krone	11,00	Western Samos (5) Samoan Tala	2,5085
Gabos C.F.A. Fraz Gembia (8) Dalasi	4.0	Oman Surate of (5) Rial Dmani	0.742	Yemen (Nth)	9.79(SG)
Garmany (East) Dstmark Germasy (West) Deutsche I	4,205 Mark 4,205		91.10	Yemen (Sth) 2. Yemen Dinar	(A) 0,7010
Ghana IS) Cedi	8.99	Pekistan Rupes Panama Balboa Papua N. Ouinea(S) Kina	8,1020		45.5649
Ghana IS) Cedi Olbraitar (K) Gibraitar £	1.0	Papua N. Oulnea(S) Kina	1.5420	Zaira Republia Zaira	0.599879
Greec,,,,,Drachma	91,3630	Peraguay Guarani	268.0	Zambia Kwacha	1.77

Worldwide buying power.

Welcomed in more than a million places all over

The accepted name for money. Worldwide.



Swire Properties Limited

Consolidated results for the year ended 31st December 1979 and 1979 final dividend

Results The consolidated results of Swire Properties Limited for the year ended 31st December 1979 were:

	Yea	ar ended 31st Decem	nber
	1979 HK\$M	1978 HK \$M	1977 HK\$M
Turnover	747.8	430.8	205.1
Profit before taxation Taxation	300.9 47.0	220.9 37.4	133.4
Profit after taxation Minority interests	253.9 16.0	183.5 <u>11.6</u>	110.8 _11.0 \
Profit for the year	237.9	<u>171.9</u>	99.6
Analysis of profit Property trading Investments	170.2 67.7	118.9 	87,8 _32.0
	237.9	<u>171.9</u> 159.3	99.6 90.6
Hong Kong USA	201.3 30.5 6.1	7.2 <u>5.4</u>	4.2 4.8_
Malaysia	237.9	171.9	99.6
EARNINGS PER SHARE	68.7€	49.7¢	30.8¢
DIVIDENDS PER SHARE: Interim Final — recommended	11.0¢ 31.0¢	8.0¢ <u>20.0¢</u>	6.5¢ 12.0¢
	<u>42.0¢</u>	<u>28.0¢</u>	<u>18.5¢</u>
ASSETS PER SHARE	\$8.60	<u>\$3.17</u>	\$2.38

Highlights from Chairman's Statement

Earnings per share increased by 38%. Investment properties independently valued at HK\$ 3,029 million to give book net assets per share, after Incorporating the 1979 revaluation surplus, of HK\$ 8.60, an interest of 171% over the book net asset

Final dividend of 31¢ recommended — an increase of 50% for the year.

Probable that overall profits for 1980 will be significantly increased.

Hong Kong 27th March 1980 J.H. Bremridge



XVIII Century Brazil Exhibit The Gold Cycle



The Central Bank of Brazil invites you to come and learn, through coins, about the splendour of gold in the history of Brazil.

From April 15 to 24, at Deutsche Bank AG, Georgsplatz 20, Hannover.

XVIII Century Brazil Exhibit. The Gold Cycle.



U.S. \$50,000,000

April 8, 1980

Société Financière pour les Télécommunications et l'Electronique S.A.

Guaranteed Floating Rate Notes 1978-1983 Irrevocably and Unconditionally Guaranteed by

STET

Società Finanziaria Telefonica per Azioni



In accordance with the terms and conditions of the Notes, notice is hereby given that for the Interest Period commencing on April 8, 1980, the Notes will bear interest at the rate of 2016 % per annum. The interest payable on the relevant interest payment date, October 8, 1980, against Coupon No. 5 will be U.S.\$102.62.

Agent Bank

Orion Bank Limited

loans.

Moves to shore up U.S. savings and loan industry

THE Federal Home Loan Bank Currently, the vast bulk of home is earmarked for subsidising Board, which regulates the loans in the U.S. are made on below market rates, loans by \$650bn U.S. savings and loan fixed-rate terms, and the S and L's which has posted industry, has taken emergency savings and loan industry is losses for three consecutive ction aimed at showing up the estimated to have as much as months and whose net worth adustry's finances.

80 per cent of its loans earning has sunk below 2.49 per cent of its loans earning has su action aimed at showing up the industry's finances

Board bas created a \$630m special assistance programme to ing 15 per cent and more. The result is that many associations (S and L's) which associations are already losing have been bardest bit by the money and others are predicting savings outflows and declining

Separately, in what some are predicting will result in a revolution in the way in which private individuals finance the purchase of their bomes, the Board bas authorised some 2.000 Federally chartered savings and loans associations to issue bome loans with interest rates which can be changed by as much as 5 percentage points over the life of the 30-year loan.

Advance for

Industries profit before-tax and

record Y78.50bn (\$314m), com-

pared with Y32.81bn in 1978.

The performance follows on

an active demand for steel

sbeets from domestic vebicle

Sumitomo

expected this montb.

Metal

time when new funds are cost-

a sharp decline in their profits this year. Already these forecasts have bad an impact on the financial markets, and several large S and L's have had the ratings on their commercial paper cut.

1t is this pressure on the

industry's finances which bas contributed to further action by the FHLB to provide aid. Already the Board bas eased solvency regulations under the season relief programme, \$100m new regime.

In the longer term, the permission to write mortgages with greater flexibility to alter interest costs promises to be the most far-reaching change. In part, it is related to the passage of the major banking reform legislation which was signed by President Carter last week. That Act equalises the competitive situation between banks and the savings and loan industry and freedom to write variable term bome loans is seen as a vital ingredient necessary to enable the savings and loan and thrift industries to compete

Gas diversion windfall expected for Texaco

TOKYO - Sumitomo Metal receive a \$373m windfall as the result of a 1977 ruling by the special items for the business year ended last month is believed to have reached a Federal Government in which the company agreed to "pay back" a huge amount of natural gas it had diverted from interstate pipelines, the The company said that sales The company said that sales for the year were estimated at Y1,220bn (\$4.9hn) against Y1,030bn in 1978. The announcement of results is Washington Post says.

The Post said that according to the ruling, Texaco agreed to "pay back" 208bn cu ft of gas that it bad beld back from public lands. The amount would supply 1.7m bomes for a year.

African Breweries, bas an 30 per cent. Of the remaining be to distribute about nam or nounced the terms of its share 40m sbares, Im bave been resistant to the investing public, served for Cape Wine's embedding offered 5 per ployees and management and ber 30, 1980, an interim divisoral of the company's equity, 6m are to be allotted to inde-

Share issue terms from Cape Wine

WASHINGTON-Texaco will extra money will result because the price that Texaco can charge for the gas is several times higher than the price of natural gas during the diversion period between 1967 and 1977. The bigber price comes as a result of a 1978 law permitting sbarp increases.

Senator Howard Metzenbaum (Democrat, Obio), chairman of the Senate Anti-trust Committee. protested the settlement last week in a letter to Mr. Charles Curtis, of the Federal According to unnamed ex- Energy Regulatory Commission.

cast, to be followed by a final dividend of about 4.75 cents.

France. CAPE WINE and Distillers, the no-par-value shares, Rembrandt The Issue price is 115 cents. company formed as part of last holds an effective 30 per cent, The prospectus estimates earn-November's rationalisation of which bas been pooled with the ings per sbare of 16.5 cents for the South African liquor market, and which holds Rembrandt's Oude Meester liquor eeniging (KWV), representing an earnings yield of 14.3 per interests and the previous wine the country's wine farmers, and liquor interests of South African Breweries bolds company policy, it is said, will African Breweries, has an anounced the terms of its share.

chemical group of West Germany rose by 7.7 per cent to DM1.3bn before tax for 1979. The increase was wrongly reported as 5.5 per cent in last Thursday's editions.

By Our Financial Staff

Airlines

Northwest

Further

losses at

NORTHWEST AIRLINES bas reported a loss of \$11.8m for the first two months of 1980, compared with a \$7m profit for the same period of 1979. The decline is blamed on "sbarply higher" jet fuel costs — the average cost per gallon was 90 cents this February, com-pared with 42 cents in February last year.

The company paid \$45.7m for jet fuel in February, against \$20.7m a year earlier.

The loss for the two months was equivalent to 54 cents a sbare, against a profit of 32 cents, and was incurred on revenues of \$226.5m, compared with \$172.9m.

In February, the airline had a net loss of \$5.63m, or 26 cents a share, against a profit of \$2.40m, or 11 cents a share, on revenues up to \$110.9m from

First quarter charge at GTE

General Telephone and Electronics Corporation, said that t would take a charge against first quarter earnings of \$85m as the result of its decision to sell two overseas businesses

and write down others.

The company has signed a contract to sell the entertainment products businesses of its West German Saba subsidiary and its French Videon subsidiary to Thomson-Brandt of

As a result, GTE said, . It would take a loss against first quarter results and the company would also provide a reserve to write down other entertainment products businesses outside the U.S. to net realisable value, for a total charge of \$85m. The entertainment products businesses bave been disappointing, GTE said, and bad not provided a sufficient return on investment,

Bayer profits rise

World-wide profits of the Bayer

DDG HANSA

A concerted rescue

BY KEVIN DONE IN FRANKFURT

DDG HANSA, one of the lead- offered to the market. Dr. ing for 20 per cent of turn- year, but in June they will ing West German shipping lines, based in Bremen, is to be saved from financial collapse by concerted rescue involving two of its major institutional sharebolders and a consortium

In addition, the trades unions are co-operating in the negotia-tion of agreed redundancies and the Federal Government is putting up guarantees of DM 30m (around \$15m) for future loan capital.

The brunt of the rescue

action, egreed by an extra-ordinary sbarebolders meeting last week, involves the writingdown of the company's capital from DM 60m to DM 10m. Around 80 per cent of the equity is held by four main shareholders, but only two of them, the Deutsche Bank, West Germany's largest bank, and Veritas, a company owned by two of the country's largest insurance groups, Allianz and Münchener Rückversicherung, have agreed to pump in more

In a joint move they are injecting DM 30m of new funds, bringing DDG Hansa's equity capital back up to DM 40m. The two other major share-holders, Albingia, a subsidiary of Guardian Royal Exchange,

the UK insurance group, and Frau Gertrud Reemtsma, a private sbarebolder, were unwilling to take part in tbe

When the capital injection is completed Deutsche Bank and Veritas will together hold more than 80 per cent of the ailing sblpping group's shares, either directly or indirectly. They will hold the new shares as an underwriting action and will not incorporate them into their permanent portfolios. In the short term, however,

Günter Tumm, the company's new financial director, says: "I don't think that any person who is interested in having a return on his capital would buy these sbares, because we don't see any dividends coming in the foreseeable future."

For 1980, DDG Hansa sees little hope of doing more than reducing its losses, with at best to see rates decline and boats

over two years ago.
Almost overnight this trade was virtually wiped out, and by last year traffic with Iran was down to just 3 per cent of sales. The last major blow came through DDG Hansa's attempt to cash in on the North Sea oil boom. It involved itself beavily

THE brunt of the rescue action involves the writing down of the company's capital from DM 60m to DM 10m (\$5m). For 1980, it sees little hope of doing more than reducing its losses, at best halving last year's operating loss of DM 75m (\$38m)

market

DDG Hansa, which has had a proud name in German ship-ping, built np over the last century, has been brought to the edge of collapse in the last four years.

the mid-1970s it launched itself on an ambitious building programme, to modernise its fleet, which left it severely over-stretched when the world shipping collapse set in, and lines around the world had to lay up ching to compat growing lay up ships to combat growing overcapacity.

At the same time, its profitability was hit by currency difficulties—must costs were incurred in Deotsche marks. while earnings accrued in dollars—and it found it impea-sible to remain competitive slble with foreign flag fleets, a problem sbared with most West German shipping lines In addition, the turmoil in

Iran undercut suddenly its liner cargo trade with the Middle East DDG Hansas Iranian business bad expanded to a point where it was account-

the prospect of balving last laid up as nffsbore exploration year's operating losses of activity failed to grow as DM 75m (\$38m). rapidly as expected, and the

became

saturated. Losses mounted. The group paid its last dividend in 1976. From 1977, it bas been operating at a loss, but last year the position became untenable.

In 1979, DDG Hansa made an operating loss of DM 75m combined with extraordinary losses of DM 23m. By exhausing the company's reserves and through asset sales the loss was reduced to a DM 5m balance sheet deficit for 1979. But to this bad to be added carried forward loss of DM 22m from the previous year.

A further loss of DM 23m (DM 18m operating losses and DM 5m extraordinary losses) in the first quarter of 1980 alone and the carried forward losses from the previous two years can only be met by the DM 50m capital write-down. Further help will be needed, however. DDG Hansa's banks

have already agreed to a mora-

The liner cargo trade still represents more than two-thirds of turnover, despite the setbacks in Iran, and it should be belped a little in coming months by higher freight rates.

Dr. Tumm is bopeful that total sales this year could re-cover to about DM 450m follow-ing the decline of the last two years. From a high point of DM 515m in 1977, sales fell to DM 481m in 1978 and to DM 404m (\$206m) last year.

meet again to discuss more substantial belp in the form, it is understood, of reducing

interest rates on outstanding

The Federal Government as part of its aid programme to

the siling German shipping industry, is providing a DM 30m

guarantee to allow DDG Hansa

to take out further loans. The

state of Bremen might also

2.500 joba are at stake in the

To reduce its losses on its offshore supply boat operations, DDG Hansa is planning with union agreement to cut its

costs by putting 50 per cent of

the fleet under foreign flags.

By the end of 1979 its total

fleet of 64 vessels—including cargo liners and beavy lift vessels—had been reduced to

290,000 gross registered formes from 320,000 tonnes a year earlier, and further substantial

sales are planned in all areas.

The group is keeping its commitment to its main business, however, of liner traffic to the Middle East, the Indian

sub-continent and the Indian

provide similar assistance

shipping company.

If DDG Hansa survives—and several small shareholders expressed their doubts at the extraordinary general meeting torium on debt repayments this operation.

Payment schedule for Bafco creditors

BY MARY FRINGS IN BAHRAIN

CREDITORS of the Bahrain about 1,000 Bahrain investors. Fishing Company (Bafco), A general meeting of the which went into voluntary company was called in Bahrain liquidation in September after shrimp catches dwindled ail over the Gulf, are expected to recover 95 per cent of their admitted claims. However, no divideods will be paid to shareholders, who include Ross Seafoods, with 35 per cent, and Gate, as required by Barrain odate, as

six months after the liquidation date, as required by Bahrain

interim dividend of 85 per cent affairs. of admitted claims would be paid to creditors on April 5. with the prospect of further 10 per cent later this year. There is expected to be a final shortfall of BD 57,000 (\$150,000) io respect of credi-

The deficit would have been significantly higher, but for the fact that claims of BD 710,000 were settled for BD 400,000 in cash. This was because both the Bahrain Government and the Saudi Fishing Company agreed to relinquisb 25 per cent of tors, compared with a surplus to relinquish 25 per cent of BD 307,000 (\$812,000) shown their claims in respect of payin the company's statement of ment for fishing rights.

Standard Chartered Intl. Bd. Fd.

Surinvest (Jersey) Ltd. (x)
Queens Hise., Don Rd., St. Heller, Jr.

The Mitsui Trust and Banking Co., Limited

7m shares. pendent wine farmers and wine of Cape Wine's 140m issued co-operatives.

the South African liquor mar- effective 30 per cent of the Ko-

Negotiable Floating Rate U.S. Dollar Certificates of Deposit



In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the final six month interest period from 8.April 1980 to 6 October 1980 the Certificates will carry an Interest Rate of 1911/16% per annum.

> Agent Bank The Chase Manhattan Bank, N.A., London





U.S. \$20,000,000

SUNDSVALLS BANKEN FLOATING RATE CAPITAL NOTES

DUE 1985

For the six months 8th April, 1980 to 8th October, 1980.

In accordance with the provisions of the Notes. notice is hereby given that the rate of interest has been fixed at 191, per cent, and that the interest payable on the relevant interest payment date. 8th October, 1980 against Coupon No. 4 will be U.S. \$100.08.

it Bank: Morgan Guaranty Trust Company of New York, Londo



EUROBONDS

The Apposition of International Bond Isalara Quotations and Yields apposite monthly in the Financial Times. it will be published on the following dates in the July 14 Angust 12 May 14 June 11 September 15 October 14 November 11 December 16 There is a limited amount of advartising space available each month: if your company is interested in taking advantage of this offer please

The Financial Advertising Department on 01-248 8000 Ext. 424 or 389

Pending dividends

Oata	Announce- ment last year	Data	Announce- man1 lest year
*Adwes1Apr. 11	Int. 3.85	Laing (J.)Apr. 30	Final 1.5
Amal, MetalApr. 23	Finel 10.9	Laird GpApr. 2	Final 1,52
Amal. PawerApr. 26	Final 2,948	LaporteMey 2	Final 4.532
Assoc.	THIS ELOTO	Lloyds and	Fillips 4,402
BiscuitApr. 10	Final 1.88	ScottishMay 10	int. 1.87
BSG Apr. 20	Final 1.464	London and	71111 1.07
*Bank of	111101 11404	NorthornMay 9	Final 2.1
ScotlandApr. 1S	Final 6.083	Mailinson-	rinat & i
Barrow	111121 0.000	CennyMay 9	Final 1.863
HeaburnMay 10	Final 1.0	Marks and	11000
Blackwood		SpencerMay B	Final 1.459
HodgeApr. 9	Finel 1.292	Menzies (J.)Aor. 24	Final 2.12
Blue CircleApr. 19	Final 7.212		Final 1.4153
*BowaterApr. 10	Final 6.771	*MinetApr. 10	Final 2.156
British Hema	rmai 0.771	MolherczreMey B	
	Final 3.9	Mowlem (J.)Apr. 26	Final \$.608
StoresApr. 30	Final 3.9	National and	
	Final 7.4	Comm. BkMay 4	int. 1.375
PrintingApr. 10	Final 2.4	NewarthillApr. 26	Final 5.324
*Bntish	1 4 D4F	Nowman Inds. May 10 News IntolMar. 29	Final 4.S
SugarMay B	Int. 1.B15	News InthiMer. 29	Final S.48
Brixton Est May B	Final 0.93	Paarson	
Brown Boveri		LongmanApr. 1B	Finsl 3.684
KentApr. 5	Final 1.2	Paarson (S.)Apr. 1B	Final 4,9956
Sunzi May 9	Final 2,285	P & O	Final 3.542
BurtonApr. 10	Ing. 3	Philips	-
Central and		LamosMay S	Final due
ShearwoodMay 1	Final 0.704	Portals Apr. 11	Finst 4.846
Coral LoisursAor. 12	Finsl 3.7	*RMCAor. 15	Fine1 3.91
Costain May B	Int. due	RevertexApr. 23	Finel 2.27
*Crode Int Apr. 9	Final 1.346	*Rio_	
*CurrysApr. 14	Final 4 0692	Tinto-ZincAar. 16	Finel B.O
*Oantsh_		Rowntree	
BaconApr. 9	Final 3.56	Mackintosh Apr. 9	Final B.S
Ounico	Finel 2.65	*Rugby_Priind	
*Empire_		ComentApr. 15	Final 2.093
StarasApr. 9	Final 2.605	Sainsbury (J) May 9	Final 4.85
European		Sears May 9	Finsl 0.94
Ferrics , May 3	Final 1.98	*Selection	
Fameli ElecsApr. 24	Final 4.79	TrustAor, 10	Final 10.84
Fosaco		*Sanior	
MinsopApr. 24	Final 3.0	Engineering Apr. 15	Final 0.6516
Gerrard and		5erck May 11	Int. 2.2
Nat. OisApr. 26	Frnal 5.124	Simon EngApr. 25	Final 6.065
"Gill & OuffusApr. 9	Final 2.664	*Smith	
*Glaso Apr. 14	Int, 5	(W. H.)Apr. 16	Finsl 2.34
*GREApr. 9	Final 6.941	Smiths IndsApr. 15	Int. 3.6138
Hell		•Stendard	
(Matthew)May 9	FinsI 6,519	ChorteredAgr. 15	F:nsi 7.706
•Hambro Lils	Fi 47 000	*TarmecApr. 29	Finel 6.234
AssceApr. 11	Final 17.802	*Taylor	
Hammerson	EI C 007	\VoodrowApr. 10	Final 6.485
PropApr. 27	Final 6.097	*Telsphone	C1 4 000
Hawker	F	RantalsApr. 30	Final 4 802
SiddaleyApr. 11	Final 2.4578	Vaux	
*Higgiand	I-a OFF	BrewerissMay 11	Int. 1.842
Nigrifleries Agr. 8	Int. 0.55	*Vickers Aor 24	Final 5.964
Hoveringham Aor. 26 Kwik SaveMay 4	Finat 1.635	Board meeting intime	
	Final 4.017		: 1rcs. § 5cr
*LodbrokaApr. 10	FINAL 4,U17	issue since made. For	ocast.

CORAL INDEX: Close 428-433 (-21

LG. Index Limited 01-351 3466. 29 Lamont Road, London SW10 0HS. Angust - Sugar 244-245.65 Tax-free trading on commodity futures.
 The commodity futures market for the small investor.

Public Works Loan Board rates Effective from March 22 Years Up to 5 Over 5, up to 10 ... Over 10, up to 15... Over 15... Over 15...

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in	gross interest	pay-	Minimu sum	n of bond	
parentheses) Knowsley (051 548 6555)	% 15}	}-year	£ 1,000	Year 1	
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RECENT ISSUES

EQUITIES											
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Ronunciation date usually last day for dealing free of stamp duty. b Figure based on prospectus ostimate. g Assumed dividend and yield. y Forecas dividend: cover based on previous year's carnings. F Olvidand and yield baset on prospectus or other official estimates for 1979. Q Gross. T Figures essumed. Cover ollows for conversion of shares not now renking for dividend or ranking only for restricted dividends. § Placing price to public. pt Panca unless otherwise indicated. I I seued by tendor. © Offered to holders of ordinary shares as a "rights." ** I saued by way of capitalisation. §§ Reintroduced. If I saued in connection with reorganization, marger or tekeover. If introduction. Dissued to former preiserence holders. Ø Allorment tottero for fully peld). • Provisional or partly-paid allorment latters. ★ With warrants. †† Unifisted security. ‡‡ I saued as units comorphing 2 participating pref. shares and 1 ord. share at R3.50 por unit. † Osalings under special rule.

BASE LENDING RATES

A.B.N. Bank 17 %	Guinness Malion 17 🖫
Allied Irish Bank 17 %	🖪 Hambros Bank 17 😘
Amra Bank 17 %	■ Hill Samuel
American Express Bk. 17 %	C. Hoare & Co
Henry Anshacher 17 %	Hongkong & Shanghai 17 %
A P Bank Ltd 17 %	Industrial Bk. of Scot. 1717
Arbuthnot Latham 17 %.	Keyser Ullmann 17 %
Associates Cap. Corp. 17 %	Knowsley & Co. Ltd 19 %
Banco de Bilbao 17 %	Langris Trust Ltd 17 %
Bank of Credit & Cree. 17 %	Lloyds Bank 17 %
Bank of Cyprus 17 %	Edward Manson & Co. 18 0
Pank of N.S.W 17 %	Midland Bank 17 %
Banque Belge Ltd 17 %	■ Samuel Montagu 17 %
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Barclays Bank 17 %	Norwich General Trust 17 %
Bremar Holdings Ltd. 18 %	P. S. Refson & Co 17 %
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C. E. Coales 17 %	Trustee Savings Bank 17 %
Consolidated Credits 17 %	Twentieth Century Bk. 17 %
Co-operative Bank 17 %	United Bank of Kuwait 17 %
Corinthian Secs 17 %	Whileaway Laidlaw 171%
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Greyhound Guaranty 17 %	Call daposits over £1,000 15%.
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UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Nat. Westminster Jersey Fd. Mgrs. Ltd. 45 La Motte St., St. Heller, Jersey 0534 36241 High Income Fund 1271 49.06 11364 115

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UNIT TRUST INFORMATION SERVICE

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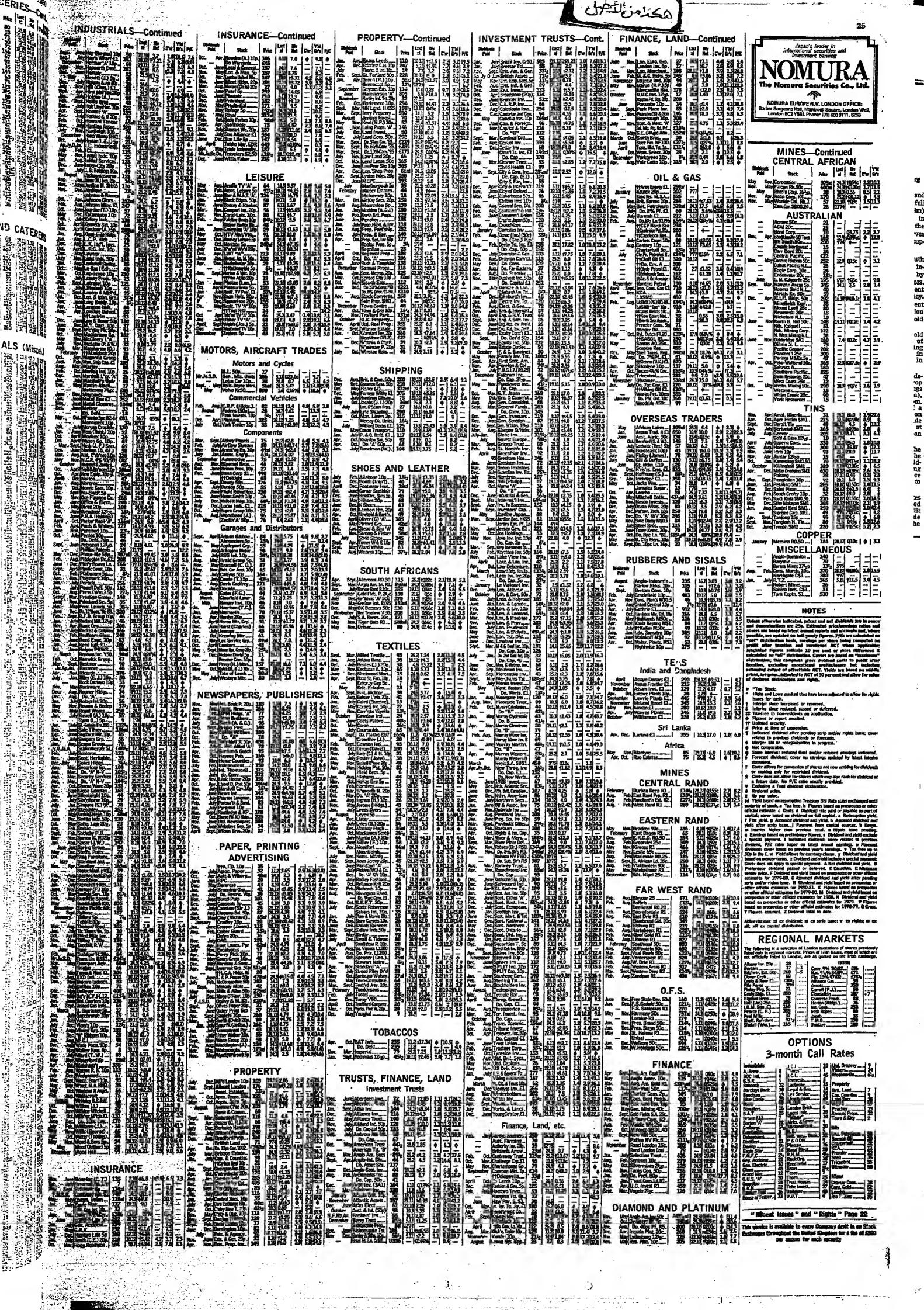
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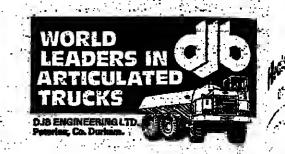
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TOTAL DE LA CONTINUE **BANKS & HP—Continued**

INDUSTRIALS (Miscel.) ELECTRICALS

| Part | P





Post Office requests extra £150m above cash limits

to spend £150m above its £1.5bn cash limits in the present financial year (1980-81), mainly nn customer apparatus in the telecommunications business.

However, the Government is insisting at present that cash limits should be strictly customers, whose tariffa pay adhered to. although the future customers' services. corporation believes it may It also argues that more relax its stance later in the

nationslised industries, the Post Office argues that it should he of 10 per cent in telephone use allowed more freedom to demands more liberal finsncing borrow on the open market. Sir William Barlow, the Poat Office chairman who was elected last week as chairman of the Nationalised Industries Chairmen's Group, will press that case

strongly to Government.

investment is presently wholly self-financed

It would like to see shout 20 per cent of its future capital requirements financed by loans, srguing that 100 per cent selffinancing pensilses present customers, whose tariffs pay for

It also argues that more than 90 per cent of the extra £150m wants will be spent with UK common with other manufacturing industry, and that continuing annual growth demands more liberal financing arrangements.

It would be unusual for the resent Government to present increases in telecommunications prices finance extra investment.

Although it concedes that

it wisbes to keep prices below the rise in the retail price index, not to let them outstrip it. Another source of tension between senior management snd Government bas been the

and proposals for its future. The feeling here is that ideas on liberalizing the telecommunications monopoly, still being considered by the Government, with plans on counter services drawn up by Sir Derek Rayner, the Prime Minister's sdviser on increased efficiency in the public sector, have sometimes been ill-

lsttor'a propossis for, and criticism of, the corporation

considered The corporation is prohably willing to conceda a limited open market on subscribers' corporation believes telecommunications prices may apparatus, such as telephones, withdrawal.

THE POST OFFICE is asking the case is particularly strong have to rise regularly once a telex mechines and data equiptive Government for permission in telecommunications, where year to keep pace with infistion, ment,

The Rayner concern the possible payment of social security and other benefits by direct payment to claimants' bank accounts, thus by-passing the Post Office counter network.

corporation The strongly Committee on Industry last month that direct payment would mean an impossibly rapid expansion of the Girobank systsm.

It has yet to receive formal proposals on the payment of bensfits. It is thought possible that the practical objections to them, coupled with possible damaging effects to sub-post offices, especially those in rural areas, bas led to their modifica-

Services' pay squeeze lifted

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

AN IMPORTANT exception to the generally tight application of cash limits on public spending is to be allowed, to increase

Armed Forces pay.

The decision follows lengthy negotiations between the Ministry of Defence and the

The annual Defence Estimstes, published last week, provide for a 14 per cent increase, between 1979-80 and 1980-81, in current expenditure costs which include

Armed Forces pay. However, the White Paper says this provision in no way pre-empts recommendations by the Review Body on Armed Whitehall that Armed Forces be incompatible with Conserva-Forces Pay, due to report pay is the only exception and tive commitments to maintain

sbortly, or prejudices the Government's decision on them. It notes that the Govarn-ment is committed "to maintain fully comparable rates of psy for the Armed Forces." The recommended increases

migbt spprosch 20 per cent. In addition to what has already heen provided, that might cost an extra £130m to £150m in the current financial year. It would be financed out of the £1bn contingency reserve, which is specifically set aside for extra items within the overall total of public spend-

It is being emphasised in

that there will be no relaxa- comparable rates of pay for the items of the defence budget such as equipment purchase. Tha general principle is that

cost increases have lo be con-

tained within the 14 per cent limit; if they are not the pisnned volume of expenditure will have to be reduced. Indeed, since price rises sre officially forecast to be higher tban assumed in the cash limits, there is intended to be a small

general squeeze on the volume of spending. However, Mr. Francis Pym Defence Secretary, argued that such a general squeeze would

tion of cash limits for other Armed Forces and to increase

Consequently, lengthy wrangling with the Treasury and Mr. John Biffen, Secretary, over what sbould_be done,

Mr. Pym appears to have won this point, though the commitmeot to maintain tight casb limits for the rest of the defence budget could squeezs spending on equipment and civilian staff if pay and price rises are so high as expected. The Defence Estimates at present provide £2.47bn for expenditure on Armed Forces psy in 1980-81, compared with £1.86bn in 1979-80.

Car sales expected to slacken

By Kenneth Gooding,

As a result, the 1980 first quarter was about 1.5 per cent down on the same period a year before at 468,000 compared with 475,000, according to unofficial figures circulating within the

But the 1979 first quarter was the best for six years, so the motor trade did ressonably well improve the flavour. in volume this year.

Sales were running at an Walker accepts the argument of annual 1.7m. near the peak and Traders now expects a steep second and third quarters.

April sales will be adversely

affected not only by the Budget, which has s psychologically depressing effect, but also by the ending of most big price-cutting and other promotional campaigns.

The upshot is that the society is standing by its forecast made at the end of last year that 1980 new car registrations will be about 1.5m compared with 1.71m in 1979, representing a volume decline of over 12 per cent. BL's "Buy British," cut price campaign certainly made an impact on the March figures. Its market sbare rose to 22.5 per cent, compared with 20.8 per cent in Msrch 1979 and 16.75 per cent in Februsry this yesr.

Ford felt some of the impact, and its share fell to 28.1 per cent from 28.3 per cent in March last year and a target of 30 per cent for the whole of 1980. The importers' penetration of the market eased a little. from 57.72 per cent in February to

BUSINESS CONFIDENCE

about prospects for industry

and the economy as a whole

has fallen to the lowest lovel

since 1975-76, and the Budget

The Financial Times monthly survey of husiness opinion, published this morn-

ing, shows that companies

tionary pressures, falling demand and weakoning

covering food and tobacco, textile and clothing, and

sectors-wore carried out be-

The Interviews—this month

liquidity.

particularly concerned the increasing infla-v pressures, falling

has made little difference.

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

Two distillers cut shipments of bulk malt whisky to Japan

BY RAY PERMAN, SCOTTISH CORRESPONDENT

to slacken considerably from shipments of bulk malt whisky to Japan in response to con-Registrations in March at tinued criticism from trade 163,000, were more than 12 per unions and sections of the cent below the 183,000 in March industry.

Seagram and Hiram Walker trsde, although they are not the higgest bulk exporters and account between them for less

than 20 per cent of the total.
Japanese distilleries buy Scotch malt in hulk to hlend with their own whiskies to Neither Seagram nor Hiram

some other companies and the reached last year. However, the unions that the practice Society of Motor Manufacturers dsmages sales of bottled Scotch in Japan and enables the decline to an annual rate of Japanese to mount aggressive about 1.4m throughout tha drives against Scotch in other

Nevertheless they have been influenced by the campaign sgainst the bulk trade, which involved ss unpatriotic.

In the stracks on the oil

installstions seven oil and gas

pipelines lesding to the main

oil refinery at Abadan were

blown up. A pumping-station associated with an associated

with an oilfield leading to a

fore the Budget but almost

all the companies have been contacted since then.

About a third of the com-

panies made favourable com-ments obout the Budget.

Nost of these referred to the

Government's new medium-

term financial strategy, which

was generally welcomed for

providing more information

Roughly half the companies

were broadly nentral about the Budget, mainly because

of the general pessimism

about the short-term econo-

mic ontlook. Several companies said they would be

more cautions and more con-

cerned about financial con-

obout future plans.

Business confidence 'lowest since 1976'

Continued from Page 1

stream Sunni sect.

reasonably buoyant in the first tillers, both Canadian-owned, by the whisky working party of director of Glenlivet Distillers, quarter of 1980, are expected have substantially cut their the National Economic Develop- speaking for Scarram, said that ment Committee at the end of

> Both companies say that they have turned away business from there had heen no direct Japan to reduce their pressure he bad to heed union commitment to bulk exports. bave attracted most of the although neither intends to attacks by opponents of the withdraw from the trade altogether.

Mr. Steve McCann, chairman of Hiram Walker (Scotland). said that bulk shipments by his company to Japan were 30 per cent less in 1979 than in the previous year. Hiram Walker had been hurt

by the implications in some criticisms that because it had a Canadian parent, it was not deeply committed to British interests or 10 building up tha sales of its bottled products, which are about 90 per cent of its output.

He also resented the fact that bulk sales had heen described show as disbonoursble, and companies

NEW CAR sales in the UK, TWO BIG SCOTCH whisky dis- has intensified since a report Mr. Ivan Straker, managing bis company had reduced volumes to Japan substantially in the last three years. Although

> criticism to avoid risk of jeopardising Seagram's bottled Scotcb business. 'I do not adbere to the logic behind the arguments put up by the opponents of this business, but there is one aspect which I find difficult to argue

> against. Our apparents say that whether you like it or not, by exporting malt to Japan we are affecting the taste of Japanese oearer to Scotch in flavour and making is therefore theoretic-

ally a contender for our export 'I cannnt argue against thal. althnugh there is no evidence to it is happening

News snalysis, Page 5

Continued from Page 1

Iran army population belongs to the mainidentified people trying to

attacb explosives to a pipeline. President Saddam Husein of Iraq threatened to avenge the "spilled blood" of students killed or injured when a grenade was thrown at a student gathering at Baghdad's Al Mostansiriyah University last Tuesday. Vice Premier Tarak Aziz was

smaller refinery at Kermsnsha was also attacked twice at the also injured in the attack. A second bomb was thrown a supporting Arab separatists cession in the Iraqi capital. The carrying out sabotage in Iran. In other incidents five people were killed in Khorameter. were killed in Khoramshar first attack, when a car carrying explosives Iraq has

Iraq has also renewed its blew up. Oilfield guards near criticism of Iran for the occup Ahwaz chssed off several untion of three disputed islands criticism of Iran for the occupa-

straints following the Budget.

Asked about specific pro-posals, about one-teuth of

the companies said they would look of the proposed

enterprise zones, where Gov-erument regulations are to be

After the Budget, none of those interviewed wanted to

change their view about their

company's prospects. Opti-mism has now falten below

the low point reached in

December, 1976, and is not

far above the February, 1975,

this month are the increasing

evidence that industry's stock

levels are too bigh in rela-

Among the main features

BP deal man, will probably outline the

changed trading position when he meets the Press this week. Industry reports suggest that last year BP had direct access to hetween 2m snd 2.5m barrels a day as against 4.5m barrels a day in 1974.

The group is said to have less than 2bn barrels of oil reserves within the Organisation of Petroleum Exporting Countrics. where in 1971 it had around 66hn harrels. A few years ago, the bulk of

BP's supplies came from three countries: Nigeris. Kuwait and Iran-all of which have cut

tion to current sales. There

is also growing cantlon ahnnt expected labour needs over

Companies are also con-tinoing to scale-up projected

wage and unit-cost rises over the next 12 months—now np

to 17.5 and 15.1 pcr cent

respectively.

The steel strike bas resul-

ted in on increasing number

of references to shortages of

raw materiols and to labour

disputes in supplier-com-

In the food and tobacco sector this was chiefly

restricted supplies of cans.

Details, Page 19

companies

the next 12 months.

Pan Am to keep Miami-Heathrow route

By Ian Hargreaves in New York

PAN AMERICAN World Airways seems certain to retain the valuable Miami-London route it ocquired when it took over National Airlines, judging by an announcement yesterday from the Civil Aeronantics Board.

The board has tentatively decided to reverse its previous decision that Pan Am should be shorn of the route because the company's existing strength on the Atlantic

The reason for the change of heart is that under the recent "Bermnda ...Two" amendments to the U.S.-UK air services agreement, any U.S. airline taking on the route would have to switch the Miami service's London destination from Heathrow to Gatwick airport.

Take over

The Miami-London route Is one of the fastest growing services in international aviation, with Miami henefiting from booming Europe-Florida tourism and from its emergence as o bub for serving Sonth American and Caribbean destinations.

Several airlines have been vying fiercely to take ever the service. A CAB administrative law judge recently ruled in favour of the Florida-based Eastern Airlines, and the CAB's international department was known to have recommended the much smaller but fast-growing Air Florida for the service.

Gatwick plan

Yesterday's announcement suggests that Pan Am will keep the route for at least three more years, although the decision is subject to comment from affected parties and possible reconsideration by the full Board.

Meanwhile, the CAB is also to consider proposals from atrlines for a new route hetween Miami and Gatwick. It said yesterday it hoped to this stndy hy complete Janosty 1981.

The importance of the Miami-Heathrow ronte is evident in National's finsi annual report before it became part of Pan Am in Janusry. This shows that baif the company's 56m (£2.8m) operating income came from its European nperations, much the largest of which is

Weather

MAINLY dry with a good daal of sun in England and Walcs. Cloudy with necasional rain but hrighter later in Scotland and Northern Ireland.

London, S.E., S., Midlands Mainly dry with sunny periods. Max. 13C (55F). E., Cent. N., N.E. England,

Borders
Scaltered showers, sunn
intervals, Max. 10C (50F).
S.W., N.W. England, Wales, Channel Isles

Cloudy, slight rain in places, becoming brighter from North. Max. 12C (54F). Lakes, I.O.Man, S.W. Scotland.

Glasgow, Argyll, N. Iretand Showers or long periods of rain dying out. Sunny intervals later. Max. 12C (54F). Rest of Scotland, Orkney and

Shetland Showers, some wintry, especially over high ground. Max. 10C (50F). Outlook: Changeable in the mostly dry in

WORLDWIDE

Innsbrk.

THE LEX COLUMN

Searching for the bottom line

The accounting profession has made its decision ovar current cost accounting. It is now up to the City to adapt to the new standard. The question is what SSAP 16 means to the "bottom lme"; and also, perhaps, what it means to the dividend policy of companies when they shake off the legacy of past years of 10 per cent norms, and pay less attention to the rosy picture created by historical cost SSAP

15 earnings.

Remember that SSAP 15 is the deferred tax accounting standard which says that compsnies should only provide for deferred tax when it is likely to have to be paid within the foreseeable future (three years or so). Combined with his-torical cost profits swollen by the effects of rapid inflation, it bas produced an outcome in practice in which industrial companies appear to enjoy nividend cover of over 21 times.

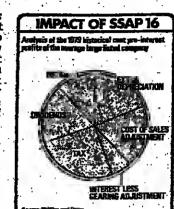
Sceptical analysts

So spectical has the invest-ment community been of this that the Society of Investment Analysts was moved to ignore the decision of the accountants. Recommended investment practice has been to disregard the esrnings per share figures pro-duced by companies and to attempt to turn the clock back by calculating notional "fully taxed "earnings. This bas been to replace a silly figure by an only slightly less silly one; but now there is an opportunity for the accountants and the investment analysts to re-engage.

Whether this opportunity will be sccepted, could partly depend on a still to be counted opinion poll. In Februsry the Society of Investment Analysts held a discussion meeting on the new definition of earnings per share required by SSAP 16. Members have been asked to fill in a questionnaire which covered such issues as whether earnings per share and p/e ratio figures should continue to be used at ali, and if so whether a current cost definition should replace

the historical cost one.

To give an idea of the comlisting the choices the analysts were offered. They were HC "full effective tax." HC standard rate tax, HC stated, CC total from the tax msn. gains, CC Sandilands-type and CC SSAP 16-type. Respondents could also indicate still another method, or could reject all of



almost nothing about earnings assumed that companies are expected to continue to observe SSAP 15, while it is stated in SSAP 16 that listed companies should show current cost earnings per sbare based on the current cost profit attributable

to equity sharebolders.

For a company operating in the UK there should not be too many problems bore. Capital allowances and stock relief pro-vide a rough and ready adjustment of tax for inflation, and on average the current cost tax charge will probably come out somewhere in the region of 50

There are complications; however, where there are substantial overseas operations, and the SSAP 15 approach may not be appropriate. This can lead to very bigh tax charges in current cost p and l accounts. Moreover thera is the question associated with a large dividend-this may well be unrecoverable,

At some time in the future, but that day seems a long way off. For instance, some decislon would have to be made on whether the gearing adjust-ment should form part of taxcautionary move to protect it funds.

Normalising tax

achieve standard presentation, mont to underlying real earn-It is perbaps ironical in view tsl arguments shout the appro-of all this that SSAP 16 itself priate tax charge. One argu- to arrive at one single earnings

tax paid, but companies often fail to publish the information which could allow analysts to do this. It is easier simply to deduct the actual SSAP 15 tax charge, and this is presumably what companies themselves will do; but this raises the problem of the remaining deferred tax which some companies are charging, because the directors, perhaps cautiously, believe it

will soon become psyable.

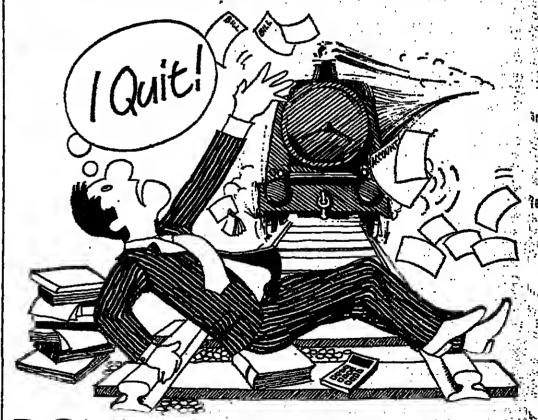
The three stockbroking firms which have published extensive current cost profit estimates for companies, Phillips and Drew, De Zoeto and Bevan, and W. Greenwell, all appear to take a slightly different approach to the tax question. This lack of conformity could pose problems when, for instance, the Financial Times come to decida on the way in which current cost earnings, dividend cover and priceearnings ratios should be presented on the prices pages.

Dividend cover

There could also be awkward decisions, of course, for commostly to have ignored current cost earnings in determining dividend policy. The 1980-results will be a poor platform for the launching of mandatory current cost earnings, and it looks as though a great many industrial companies will have U.S. difficulty in covering a maintained dividend on this accounting basis.
In the transitional period,

sudden readjustment is un-likely. The last Bank of of the advance corporation tax England Bulletin pointed out that companies now have a great deal of freedom to distribute. their real capital, something that company law, because of corporate taxation may be inflation, is now ineffective. charged on a current cost basis, restricting (at least when the restricting (at least when the statutory accounts are still-drawn up on the historical costasis). There is indeed a view that low return companies should deliberately overdistriable profits. The positioning of bute, because they cannot earny magthe gearing adjustment below an adequate real return on rethe tax line in one of the invested cash flow, and there is To give an idea of the com-plexity of the subject it is worth listing the choices the analysts presentations in SSAP 16 may dends are received by the inwell represent in part a pre-creasingly dominant pension

Yet it is unlikely that many companies actually see it this way, and it must be assumed leed It would be easy enough to that an eventual broad sojustings will be achieved. It is not. says nothing about taxation ment is that tax should be number which will be viewed as (nor do the accompanying "normalised" by applying a satisfactory hy management, official Guidance Notes) and standard rate to UK earnings accountants and investors.

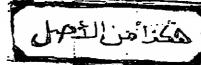


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